

JPRS 84342

16 September 1983

Near East/South Asia Report

No. 2823

FBIS FOREIGN BROADCAST INFORMATION SERVICE

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16 September 1983

NEAR EAST/SOUTH ASIA REPORT

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POSSIBLE REDUCTION OF OPEC FUND AID DISCUSSED

Paris AN-NAHAR ARAB REPORT & MEMO in English No 32, 8 Aug 83 p 6

[Text]

Ibrahim Shihata, who last week handed over his post as Director-General of the OPEC Fund for International Development to Nigerian banker Yesefu Seyyid Momoh Abdulai, has warned that the agency may find it hard to maintain the level of its development assistance to the

Third World. Dr Shihata told an Austrian newspaper that the OPEC Fund would have to reduce its aid because of declining oil production and sales, but expressed the hope that the cutback "will not be too steep."

The former fund director noted that of the \$231.95 billion in development assistance extended between 1973 and 1981, OPEC members had contributed 25.4 per cent, or 2.17 per cent of their combined Gross National Product, compared with 69.1 per cent from OECD countries, representing 0.34 per cent of combined GNP, and 5.5 per cent from the communist bloc, representing 0.11 per cent of combined GNP.

Dr Shihata's statement sums up the challenge facing his successor, who took over for a five-year term on August 1. Mr Abdulai is the Managing Director of the Federal Mortgage Bank of Nigeria and was formerly an Executive Director of the World Bank. Dr Shihata is moving to the World Bank as a Vice President and General Counsel.

In his first press conference after taking office, Mr Abdulai confirmed that the fund would be reviewing its current lending programme for 1983-84 because of economic problems facing OPEC members. The sixth loan programme set aside \$650 million for the two-year period, but Mr Abdulai said this would probably be revised downwards. He gave no figures and stressed that the programme had not been abandoned. "Adjustments will have to be made, but our assistance in balance of payments support, programmes and project aid will continue," he promised.

The new head of the agency noted that development institutions in general had problems of replenishment

and resources because of economic difficulty throughout the world. This had led to a fall in aid to developing countries at a time when it should be rising. "Development plans are being cut to the bone. Many developing countries are getting discouraged, with their backs to the wall," Mr Abdulai declared.

Nevertheless, Mr Abdulai said he did not expect a long-term progressive decline in OPEC aid. He called on oil-importing countries whose oil import bills had been cut by the March reduction in the price of OPEC oil to boost their own aid to the Third World to compensate for lower outlays by the fund.

He said much could be gained from cooperation between the fund and commercial banks, but pointed out that his organisation gave priority to the least developed countries. Asked about cooperation with the World Bank, Mr Abdulai said there had been an increase in the exchange of technical assistance and in the coordination of policy.

Mr Abdulai was elected by a special meeting of the Fund's Ministerial Council in Vienna on July 22 at which not all of OPEC's Finance Ministers were present. Mr Abdulai's name was first put forward in February, but ministers failed then and later in May to agree on his candidacy although it had the backing of Saudi Arabia and Kuwait. Algeria's Ambassador in Brussels, Idriss al-Jazairi was also a candidate and it was generally recognised that both men's qualifications for the post of Director General of the Fund were about equal. Mr Jazairi, a long-time adviser to the late President Houari Boumedienne, has since been proposed as a compromise candidate for the post of Secretary-General of OPEC but his chances are clouded by Iran's insistence on the election of its candidate and equally stubborn opposition from Iraq; the wrangle seems likely to keep the post vacant for some considerable time.

INTERNATIONAL AFFAIRS

BRIEFS

GULF INTERNATIONAL BANK INCOME—Gulf International Bank BSC achieved a 13.2 per cent increase in net income in the first six months of this year to \$28.1 million from \$24.8 million in the same period of 1982. Assets increased to \$6.36 billion on June 30, against \$5.19 billion a year earlier, a rise of 22.6 per cent. Operating income, before direct expenses, grew to \$47.9 million from \$39.6 million, the bank said. GIB is jointly owned by the governments of Saudi Arabia, Bahrain, Kuwait, Qatar, Iraq, Oman and the UAE. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 32, 8 Aug 83 p 9]

UNITED GULF BANK ASSETS—United Gulf Bank, the fourth largest Arab bank, increased its assets by 25 per cent to \$1.26 billion in the first six months of 1983, the OPEC news agency reported UGB Managing Director Mahmoud al-Nouri as saying. In the same period, the bank provided loans worth \$428 million, while deposits stood at \$712 million in June compared with \$460 million in January. UGB has participated in a number of international loans, the recipients of which include the government of Sweden, the Iraqi Central Bank, the Industrial Bank of Kuwait and the Turkish National Oil Company. Gulf Investment Company, a UGB subsidiary, has purchased a commercial complex in Washington DC and an hotel in New York. It plans to acquire an interest in the capital of a US domestic airline, and to invest in technology development projects. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 32, 8 Aug 83 p 9]

CSO: 4400/495

GOVERNMENT, OPPOSITION FORCES DEBATE ELECTION BY ABSOLUTE LISTS

Noted Critic Discusses Debate

Cairo AL-AHRAM in Arabic 18 Jul 83 p 16

[Editorial by Ahmad Baha'-al-Din]

[Text] The People's Assembly is now debating the new election law.

From the assembly's discussions, it cannot appear that it is setting out a law that is "tailored" to the "dimensions" of the majority that is setting out the law. Nor can we seek perverse examples, from Korea to the ancient isles of China, in order to state that equivalent "constitutional examples" exist.

The basic rules in effect in the democratic countries, although they differ in adopting the system of districts or lists, are well known.

At the same time, it is normal, when the People's Assembly sets out an election law, that it should bear "special circumstances" in mind and not copy blindly and wholesale from another country. I acknowledge that Egypt is not Britain, France or Switzerland, and that law professors here have to theorize and take "the circumstances that are special to us" into consideration.

However, the "special circumstances" which must be taken into consideration are these over which we differ with the approaches taken by the ruling majority party.

The problem is that the expressions "our special circumstances" and "arising from our actual circumstances" have often been used to trump up various draconian laws.

Our "special circumstances" may be confined to three things:

The first is that we still have a party law which puts inordinate restrictions --indeed, in reality, a barrier -- on the freedom to form parties.

The second is that the parties that actually exist arose in a manner determined by the previous president. He dictated this manner verbatim, and this was set by the authorities, in advance, as three parties: a basic center party, a party to the right of it, and a party to the left of it.

The third is that Egypt is distinguished by the fact that its executive power enjoys broad, overwhelming powers, has tremendous centralization, and has a heavyhanded bureaucracy, whoever the ruler and whatever the regime might be.

No one disputes these three points, or can treat them lightly.

When we put these three circumstances, "special to us," alongside the rules in effect in the eminent democratic countries, we reach conclusions which are different from those the newspapers oriented toward the government or the ruling party are publishing. Until tomorrow.

Theorist Compares Parliamentary Systems

Cairo AL-AHRAM in Arabic 19 Jul 83 p 18

[Editorial by Ahmad Baha'-al-Din]

[Text] The ruling party has decided to adopt the system of proportionate lists. No one denies that this system is in use in various countries and that we can try it out, although the use of the system of districts would have been better, since our experience has been only with that.

The system of proportionate lists was essentially devised to give a greater number of political currents an opportunity to be represented, and not to inhibit them. The important thing here is the attainment of this goal, not the formal aspect of the law in itself. The eloquence of no law has any meaning if it does not serve the requisite "content."

- Some countries have given proportionate lists free rein, so that they can reflect public opinion in full, and some have put a minimum which all parties must obtain, lest they be totally deprived of seats.

West Germany, for instance, sets this minimum at 5 percent of the total votes; however, the draft that has been set forth here sets the minimum at 10 percent — that is, it demands twice as much of the parties in Egypt as Germany asks of its own parties.

However, if we look at "our special circumstances," which I spoke about yesterday, we will find that logic leads us to lessen the restrictions that exist in Germany, not to intensify them. We have a law which is in effect a barrier to the establishment of parties, one which they do not have. We have a bureaucracy which makes any regime extremely strong and lacking any features of weakness, because the whole administration, from the governor to the lowest employee, is implicated, contrary to the elected local governments there. The parties there did not arise through the will of the office of the president, as they did here. On top of that, our system does not give the parties the same access to radio or television, or public meetings, as is the case there.

When the result is the adoption of the system of lists, under these conditions, that means narrowing, not expanding, the opportunity for giving representation to a variety of opinions, and we have used an instrument in a way that was not intended.

The government here, the oldest form of centralization and bureaucracy in the world, does not suffer from weakness; rather, the complaint is its excessive dominance of the people's resources.

Lowering the 10 percent to 5 percent as a minimum is the least one can request, if it is too late to adopt the system of districts.

There remains another point, which we will put off till tomorrow.

Fate of Independents Questioned

Cairo AL-AHRAM in Arabic 20 Jul 83 p 20

[Editorial by Ahmad Baha'-al-Din]

[Text] The second issue which the draft election law that has been presented raises is that the adoption of the system of proportional lists, in the proposed manner, leaves absolutely no room for what are called "independent deputies."

It is true that parties are the basis of parliamentary life, and that independent deputies have disappeared from the major parliaments (in any event, there generally are one to three independent deputies in the British parliament).

However, the disappearance of independents in the West took place not by decree or law, but rather by lengthy political development and maturation, which made the parties mature enough to absorb all currents of public opinion.

To that one might add the two reasons I have been repeating, that we do not have the freedom to form parties, where people who want to can join together in a party or a list, and that the three parties do not express all the essential views in the society, so that any independent can find a party that will suit him, one which he can join.

Once again, the imposition of these two restrictions guarantee that we will be made to think about a means for giving independents opportunities, and not about closing the door on them altogether.

While the constitution gives every citizen the right to run as a candidate, within the limits of the stipulated conditions, any law that results in depriving citizens of this right should be considered unconstitutional, whatever the method of deprivation might be. If the constitution does not stipulate that the candidate must belong to a party, one may not add this condition to a law, even indirectly.

If independents sometimes win through influence or money and then demand to join a party so that they can profit, that is the responsibility of the party, which is not compelled to accept people if it considers that they are behaving opportunistically.

The point remains that the claim of "liberating the deputy from the grip of his district" is not all desirable. In Britain, this was the object of discussion a few weeks ago, and people came to the common opinion that a link between the candidate and his district is desirable, because the weight of his district is not of the same magnitude as that of his party, in his mind, and he can be

liberated from the matter of "personal requests" only through the development of consciousness and practice.

People's Assembly Debates Lists

Cairo AL-AHRAM in Arabic 21 Jul 83 pp 6, 14

[Article by Mahmud Mu'awwad, 'Abd-al-Jawad 'Ali and Sharif Al-'Abd]

[Text] In a tempestuous session dominated by democratic dialogue on the new election system to be applied for the first time in Egypt, the majority in the People's Assembly agreed yesterday that the next elections to the People's Assembly should be by party lists, with proportional majorities.

Dr Sufi Abu Talib, the assembly chairman, gave priority on the floor to Counsellor Muntaz Nassar, who is independent by category; he rejected the law in form and substance on grounds that it was unconstitutional, that it would engender loyalty to leaders and not to the people, and that it would deprive some citizens of their rights.

Eng Ibrahim Shukri, the leader of the opposition, asserted his opposition to the restriction that the proportion of votes throughout the republic be the condition for representation in the assembly, and stated that there were obstacles in the way of the establishment of parties, in the shadow of a strong party which had all the attributes of power available to it.

Dr Fu'ad Muhyi-al-Din, the prime minister, declared, in his comments, that the National Party was prepared to enter any election campaign under any electoral system which the opposition parties agreed for relying on the trust of the people, and that the rules which were put in the law had the goal of bringing about new conditions and stability in political action. He said that no party that did not have eight followers out of every hundred should be represented in the assembly.

Dr Kamil Laylah, one of the people submitting the draft, said that this draft was a step along the road to democracy and that it did not conflict with the constitution, because elections by lists were direct general elections and brought about full equality among citizens whose circumstances were similar.

The assembly held a morning session in which it agreed to the draft of a law where crimes committed in violation of the Building Regulation Law would be subject to the jurisdiction of state security courts instead of ordinary courts.

It gave agreement to a law giving raises of 5 pounds to people on pension, which would be added to the pensions to which they were entitled.

The People's Assembly rejected the request for further discussion presented by the government on Article 41 of the Law on Government Civilian Employees, which stipulates that the raises due be paid out to people who reach the top of grade scale after 4 years.

In the discussion on the amendment of the Law on the Union of Scientific Professions, the member Muhammad al-Sudani stated "We cannot continue to hold discussions if the government is absent from the assembly. Where is the government?"

The minister Mukhtar Hani immediately entered the assembly chamber, asking for the floor, to state that there was no provision in the constitution or the bylaws stating that the government was of necessity committed to attending assembly sessions.

Mumtaz Nassar, an independent, objected, stating "But don't forget, your excellency the minister, that countries with broad experience in parliamentary practice have precedents on parliamentary practice which are tantamount to the constitution and the law, while we here have become accustomed to having the government present during the assembly's discussions."

Mukhtar Hani said, "In any case, the government is ready to participate in the work of the assembly at any time, proceeding from the principle of our concern for democratic practice."

When the draft of the law on the system of party lists by relative majority was presented, Mumtaz Nassar said, "I attended the committee meeting and objected to the draft on constitutional grounds, from the standpoint of form and substance. I did not find any statement in the committee report carrying what I had said. I spoke for an hour recording my objections. I request priority on the floor, in view of the fact that I rejected this matter in form and in substance."

Counsellor Ahmad Musa, the chairman of the committee, said "The member did indeed agree the point that the draft was unconstitutional, and it appears that his statement was inadvertently dropped from the report."

Dr Sufi Abu Talib [said] "This objection will be added to the report."

Eng Ibrahim stated, "I would like to stress that the law which I submitted, amending a law which regulates the exercise of political rights, is connected to this law, and I would like to record that the Legislative Committee has delayed the two drafts of the chairman of the committee, in executing the stipulations of its bill. The draft was discussed, and there is a connection, but it did not involve one single subject."

Dr Sufi Abu Talib responded to Mumtaz Nassar's request and gave him the floor. He was the first person to speak.

Mumtaz Nassar, an independent, stated, "The effects of this law on values and principles which have prevailed in our Egyptian society regarding an election system in Egypt which is founded on immediate elections and the search for judgment from the people on the people who represent them will be profound. The amendment which has been submitted today does not meet this criteria. Proceeding with the system of proportionate lists is in violation of the constitution and the conscience of the Egyptian people. The constitution stipulates direct elections and total secrecy. This phrase cannot cause us to adopt elections by lists."

"In secret direct elections, there is a direct relationship between the voters and their representatives in the People's Assembly, and this gives the voters a chance to choose their legitimate representatives. The Egyptian legislators have affirmed this repeatedly; when they set out the law bearing on the People's Assembly, they did not intend that the meaning should be different from that which is inferred from the text.

"Amendments were made to subsequent acts of legislation which have affirmed this as well.

"There is a provision which gives equal treatment to Egyptians. They are equal in terms of rights and obligations. This leads one to the fact that some of them can be candidates if they join a party, while they cannot be candidates if they join another party.

"Running as candidates is a right, and elections are a right. Any legislation which results in the fact that any citizen is deprived of this right conflicts with the constitution.

"In addition, Article Five of the constitution stipulates that the political system in Egypt is based on the presence of a number of parties. Does this stipulation contain any phrases prohibiting the emergence of independents? Does this stipulation make it mandatory that all Egyptians join parties? Unfortunately, I find in the memorandum that the independents are people of unknown identity when they express their opinions on any of the issues presented. One should bear in mind that independents have played a great role in our democratic life in Egypt. The voters cast 40 percent of their votes for independents, and 37 percent in the elections which took place in 1979.

"This law is a flagrant act of aggression against the constitution, and the independents have the right to protest against it because of its unconstitutionality. The law is more obvious in its aggression against the constitution than the Lawyers' Law, on whose unconstitutionality a court verdict has been issued.

"I reject the draft in form and substance, because it ought to have been reviewed with other laws, including the amendment to the Law on Parties, so that political groups could be given the opportunity to establish parties.

"The contents of the explanatory memorandum are all justification. France adopted the notion of brief lists, and did not think in direct terms because it would shake the bond between the people and their deputies, because deputies do not need the people, they need party leadership, which is worse than party dictatorship.

"The European countries, including Portugal, have no laws on parties that stipulate restrictions on the formation of parties. The explanatory memorandum says that it is units of affiliation, families, which constitute the basis of the society; was party affiliation established out of affiliation with the people? This is a dangerous notion."

Dr Kamil Laylah, one of the persons presenting the draft, said "We are now talking about a draft which has special importance. The draft is a step along the road to democracy, not a step backward.

"The law is not harmful to democracy, as our dear brother Muntaz Nassar says. I assert that France adopted lists with an absolute majority, then mixed it with a proportional majority. What our colleague said is not correct. Whether elections are on an individual basis or by lists, they can be direct or indirect. Direct elections mean that the voter chooses the deputy directly, and if it is indirect that is through delegates. Direct elections take place in elections by lists, when they are held without intermediaries. They do not contradict the articles of the constitution at all, as our colleague Muntaz Nassar has said.

"As regards total equality among citizens, as stated in the constitution, equality exists among individuals whose circumstances are similar. I do not know why our colleague Muntaz Nassar brought this article into this discussion. We are setting out general rules which will apply to all parties, in the context of a party system, without any aggression against the constitution.

"As regards the independents, I can say that they have the right to run as candidates because parties and party programs, which are committed to national principles, are available to them.

"The basic virtues of Egyptian society and Islamic law are that our party system is based on the presence of a number of parties, and the exercise is made through parties. There is no justification for the existence of independents. We cannot have a party which is independent in itself for each independent. Have we brought about the creation of 1,000 parties? The independents' statement, "We want a party," will remain. I told Muntaz Nassar, "If the judiciary allowed you to establish a party, would you object?" He said no. Lists are constitutional, regardless of parties. Independents, you can express your opinions outside of parliament. However, the situation is different in parliament. There are parties. We are showing concern for the development of our people and the degree of education we have reached. We are guided by what is going on in the outer world. We are adopting the system we can. We should not be held to account on why we have chosen this road today and not others. The protests against us are not acceptable. Every time has its own circumstances, and each generation has its own circumstances. We want a strong opposition. We have a broad choice; instead of a single member, other members are chosen. There is freedom. This notion affirms party affiliation and loyalty. We are not abandoning the people. Our point of reference is the people, who are sovereign, who have the power to command and prohibit. Allegiance to the parties belongs to the people. Without the people, there are no parties. This system is a support for democracy, and is a greater support for the sovereignty of the people than any other system.

"Why do the independents reject membership in parties? It is as if they look down on parties!"

Eng Ibrahim Shukri, leader of the opposition, said: "We are going through a new turning point in the exercise of democracy in Egypt. We want to set out general rules for attaining prosperity for democracy. Therefore, I have

insisted on the draft law bearing on the direct regulation of political rights. The points our brother Muntaz Nassar has raised have their justifications. Indeed, there are sections in the current Law on Parties on the establishments of new parties, and what Dr Kamil Laylah said regarding relative lists actually exists in many countries of the world, but they came about after several stages of democracy had elapsed. Khalid Muhyi-al-Din visited me yesterday in my home and informed me of the Grouping Party's opinion on this draft. There is still an obstacle in the way of the parties if one is to acquire a presence at a time when there is the National Party, which is the heir to the Egypt Party through the Socialist Union. This all puts the National Party in a distinctive position, and we must not ignore this. Why the adherence to absolute party lists in local assemblies? We demand that there be non-party lists so that independents will be given a chance to take part in elections. We consider that the categorization in the law exists for the sake of the attainment of specific objectives. Urging the president to lower the 10 percent proportion is a fair stand aimed at giving an opportunity to the opposition; this proportion is a barrier to parties. If some countries have resorted to setting out proportions, the goal there was to regulate their party activity in the context of the great proliferation of the parties that exist there. A proliferation of parties is one of the objectives of the constitution; therefore, it is necessary to achieve a balance between the main party and the small ones. We demand that the parties be given a broader opportunity: this demand is not peculiar to the Labor Party. The condition of percentages is an arbitrary one. The whole cabinet, the president, the governors and the mayors are all members of the party. We have had a single system for 5,000 years. This law deprives the parties of their right to exist and survive."

Dr Fu'ad Muhyi-al-Din, the prime minister, said: "We are perplexed by the opposition's situation. Whenever we ask for a meeting, we come, but whenever it answers I believe that it is twice our size, and voices are raised to the point where criticism gets to what one could call defamation. Then it is said that the law creates categories. I would like to tell Ibrahim Shykri that we do not need to create categories. Any way you want us to arrange the elections, I will announce them in the name of the party. We are prepared to do this, and we are confident of the trust of the people, the majority of the people, indeed all of the people."

"What is strange and contradictory is that we read in the opposition papers — and may God help us with what we read and hear that has been said in some opposition conferences; we are not honored because we are not invited to them — that the people have been totally driven away from the National Party, so what is the fear and hesitation about? The 10 or 8 percent rules are moderate ones."

"You are the ones who have requested proportionate representation. The dialogue over that has been going on for 3 years, since the Consultative Assembly was formed, and in the end we got what you asked for. This rule was necessary. It is 12 percent in Sri Lanka. Egypt is the only democratic country in the Middle East, except for Israel, because of the nature of Israel. In Egypt there is the system of 5 percent [sic] workers and peasants, a special constitutional rule; we will never allow that to be infringed, even if you want it to be. Our parties, according to the constitution, are socialist and democratic. No doors are closed."

"The great counsellor Muntaz Nassar commented on a provision but he should not have done that, because agreement was given on the establishment of a new party at the same session!

"There is broad room on the stage for the formation of new parties through the party committee. I have been following politics for a long time. I do not understand, in my patriotic conscience, what 'independent' means, in spite of my esteem for all the independents. Independent of what? The National Party consists of numerous political currents, not conflicting ones. This is not an invitation to our brother Muntaz Nassar to join the party! There is no such thing as individual political action. Political action means responsibility and participation. People act independently only if they are selfish, and our brother Muntaz Nassar is not! We want parties which truly have a mass following in the complete sense."

Hasan Hafiz said, "Each election system has its advantages and flaws. Elections by list do not mean that the candidate's allegiance will be to the party; rather, the allegiance of all of us will be to Egypt and its deeprooted people, and I ask the venerable assembly to agree to the law."

Ulfat Kamil, Liberal Party, [said] "This matter is of the greatest importance in our political life. Therefore this matter, and the degree to which it is in keeping with our society and our circumstances, must be adequately studied. We demand that the conditions of percentages in lists be eliminated, because the opposition parties still have not realized their weight in the society. The major force in the society is the majority party, which is the government, and we all know how afraid the people are of the government!" (Voices of members in the assembly rose on high: "No! No! No!")

The lady deputy went on to say, "This is a new experience, to which our political system has not been accustomed. Therefore it must not be fettered, and we must not condemn the fledgling experience to failure. We urge the government to be fair in the coming elections and the vote tallying processes and to give all parties a full opportunity to present their programs to the people through all the media."

Liberal Abjures Election Lists

Cairo AL-AHRAR in Arabic 11 Jul 33 p 3

[Article by Hisham Tantawi]

[Text] AL-AHRAR met with a number of political figures, thinkers and writers in an attempt to find a solution to this question. The journalist Mustafa Amin said "The purpose in elections by lists is to deprive the people of one of their rights and give it to the people they select, in their list of friends, proteges, weak persons, servants of the authorities, polite people who do not protest, obedient people who do not differ, claquees, and people who applaud. By means of the way the lists are arranged, any party can rule out the election of any deputy who wishes to go against the parties, and democracy loses its character of freedom and independence of opinion." Mustafa Amin added, "Names

in which the authorities have confidence, not the names the people want, will be put at the top of the lists.

By means of the lists, the government can guarantee that it will have a majority in all elections, and as a result of this, loyalty to the party will be more important than loyalty to the nation." Mustafa Amin pointed out that elections by lists would put the governments at ease, and it would not resort to blatant falsification, obvious pressure or clear interference. It would content itself with issuing orders to elect the government list, but that would obstruct the real democracy the people want, especially with the retention of the Law on Parties, which restricts the formation of parties and makes the formation of all new parties the right of the government, not the right of the people. The governmental majority would be able to suppress all new ideas, all opinions that were opposed to it, and every orientation which lacked a majority.

Thus the government would choose the parliament, rather than having the parliament choose the government. It will always remain one of the first demands of the people that the elections by lists be abrogated.

The Last Term for Independents

Muhammad 'Abd-al-Shafi, member of the Consultative Assembly and vice chairman of the Liberal Party, said "The government resorted to elections by lists after the opposition papers and their influence on public opinion became widespread, so that it could realize a fraudulent majority in a disguised manner. In another area, in accordance with the system of lists, it is driving the independents from parliament by preventing them from running as candidates in elections. In this case, this will be the last term for the independents!"

'Abd-al-Shafi asserted that he rejected all forms of elections by list, be they relative or absolute, and stated that it was necessary that direct free elections be held; that was the only desirable form of elections for Egypt, and it was one that the people had been accustomed to for more than 80 years.

'Abd-al-Shafi asserted that elections by lists would lead to the fragmentation of the national forces in opposition parties, and indeed, worse, in the National Party, since many party leaders would not be included on the lists, and this would result in the fragmentation of the unity of the parties. No one knew whose benefit this game was being played for!

A Return to the Authoritarian System!

Ulfat Kamil, vice chairman of the Liberal Party and member of the People's Assembly, stated that the election campaigns were a truthful mirror for implanting and enriching democracy; without it, we would regress to the authoritarian system.

Ulfat Kamil added, "Direct free elections are the only method of democratic elections that the people are familiar with. and therefore I do not believe in elections by lists, whether direct, incomplete or proportionate."

Ahmad Abu Zayd Tantawi, member of the People's Assembly and a founding member of the National Party, asserted that elections by lists, of all types, would lead to the creation of a dictatorial regime in each party. When their lists were chosen, the parties would prohibit personalities who had a popular following among the masses from running as candidates, because they were not popular within the party.

Abu Zayd added, "Elections by lists might result in shaking the image of the party among the masses. Therefore I state that the elections which must be held are free direct ones, and the people must choose the people they want."

Murad al-Sabastasi, secretary general of the Liberal Party and member of the Consultative Assembly, considered that the system of election by lists was heretical new innovation by which the people had been taken by surprise, in its most intense, long-standing form, since the elections to the previous Consultative Assembly took place by "absolute lists."

Al-Sabastasi said that this system inhibited differing opinions, whatever their strength and resources might be.

Murad al-Sabastasi considered it necessary to continue with the system of open districts.

Muhammad Mahmud Isma'il, member of the People's Assembly and member of the secretariat general of the Liberal Party, asserted that the system of elections by lists was devised to be rejected; it was a system that the National Party had to guarantee that it would continue to be in the majority in the People's Assembly and could monopolize the issuance of decrees, prohibiting the opposition from being represented in all political bodies; for this reason, the best system for our country was direct free elections, which we have all known for a long time.

Boycotting the Elections

Fathi Radwan, an independent lawyer, considered that true elections were the ones created by the 1923 constitution, based on the subdivision of the country into districts in which two or more candidates would be nominated, of whom the one who obtained the absolute majority would be the person who get the seat in parliament. This system became established in Egypt, and no one complained about it.

Fathi Radwan added, "This system was previously abrogated, after the declaration of the 1923 constitution. It was a national demand, one which was repeated, indeed restored, and the first election in which Sa'd Zaghlul and his party were successful was then held. The parties had previously boycotted the elections and the people continued to demand that the 1930 constitution be eliminated and that the law on elections be abrogated. In fact, the constitution and the election law were removed, and the 1923 constitution was brought back."

He added, "The 'elections by list' which were devised in al-Sadat's era were not related to elections in any way. Rather, they were a means for letting the ruling party get an absolute majority without any effort! They have the objective of putting obstacles in the way of the opposition, which is prevented

by every means from getting in contact with the masses, as embodied in the papers inherited from before the revolution, which were the richest of papers and the ones with the broadest circulation; it is not permissible that the government papers remain, and there is no point in having it take them over completely; let them be given a chance to speak to the masses."

A Violation of the Constitution

Shaykh Salah Abu Isma'il, independent member of the People's Assembly, objected to the government's orientation toward the general use of elections by lists, on grounds that the constitution has guaranteed that every Egyptian who has reached age 30 and can read and write, and is registered in the lists of voters, can run as a candidate for membership in the People's Assembly. However, the system of lists constitutes government guardianship over this system, will eliminate independent members, who consider that the party system, with the restrictions on parties it contains, is too narrow to accommodate their activity and aspirations.

The independent deputy added, "This is to be considered a system for putting pressure on independent members of the People's Assembly to join the National Party, or the ruling party in general. I do not know why Egypt suffers the affliction of having the authorities squat on people's chests and speculate with people's freedoms, in a way that other peoples and countries do not, at a time when we hear that Indira Gandhi, who is a prime minister, was swept away by the elections, then removed from prison after the elections to head the cabinet!"

Shaykh Salah Abu Isma'il said, "Elections by the system of districts will make the deputy feel allegiance to his voters. They are the ones who supported him, backed him and gave him their trust, and they have greater rights to him than any party does.

"However, the system of lists will turn the party deputies into servants of the party leadership, so that their names can be included in the list. Therefore, the deputy will not submit a single request for information to the government, in order to preserve its affection, and the People's Assembly will therefore be turned into a specter without a soul."

Illiteracy Is One of the Reasons

Salah Abu Isma'il added, "The general atmosphere in the world of voters is characterized by rampant illiteracy, to the point where every candidate is given a symbol, such as a lighthouse, a rabbit, a boat or a coffee-pot. Will those voters be able to distinguish between the program of one party and the program of another one? They fail to distinguish among the names of the candidates!"

Independent Scores Unconstitutionality

Cairo AL-AHRAR in Arabic 11 Jul 83 p 3

[Article by Muntaz Nassar]

[Text] Great debate has been raised recently on the method of electing members to the National Assembly. One view holds that the best method is to elect members by absolute lists, another view takes the approach that the sound way is to hold elections by proportional lists, and a third view holds that elections of People's Assembly members must take place in a direct, individual manner, where the electors in each district of the country elect the deputy they like to represent them in the People's Assembly, so that, after his election, he will become a representative of the whole nation. Each group has presented arguments to affirm the opinion it holds. The people holding the first opinion state that elections by absolute lists will make the deputy absolutely free and that he will not be subject to a group of voters and the demands they dictate to him, occupying his time and effort at the expense of his production in oversight and legislative work. That is the only argument which the proponents of this view have advanced to promote their view.

The people holding the second view have stated that elections by proportionate lists are the sound method for achieving a People's Assembly that is balanced between an opposition and a majority. Each party is represented by members and the proportions the parties, minority and majority, obtain will be taken into account in a manner that will achieve a balance in the composition of the People's Assembly, creating an opposition represented by an abundant number of members who will not permit the majority always to dominate.

The third view in our opinion is the sound one; it will help deepen democracy and is in agreement with the text and spirit of the constitution, in the following manner, for reasons which justify the soundness of this view, as follows:

First, the constitution, in Article 87, stipulates that:

"The law will specify the electoral districts into which the country will be divided and the number of elected members to the People's Assembly, provided that they be no less than 350 members, at least half of whom will be workers and peasants, and that they be elected by direct secret general elections."

From this stipulation, it is apparent that the codifiers of the constitution, in setting forth this stipulation considered that one should proceed along the road which dominated, in the election of members to parliaments and the National and People's Assemblies, which was applied by specific set laws based on direct individual elections, and that the codifiers of the constitution considered that no departure should be made from this system; otherwise, they would have said explicitly that it was necessary that the elections take place through absolute or relative lists.

Second, the method of election in Egypt, by the direct individual method, became established in the conscience and consciousness of the people, and began to express the true nature of the citizens' opinions regarding the people who were to represent them in the People's Assembly. It is not permissible that we should deprive them of this right, which has become established in the conscience and consciousness of the people.

Third, the approach of direct secret general elections stipulated by Article 87 of the constitution refers, in its language and meaning, to the direct recourse to the voters in specific districts to determine their choice of the people to represent them in the People's Assembly. The fact that the expression in the constitution has taken this form cannot mean that the constitution wants the elections to the People's Assembly to be by absolute or relative lists, because it does not consider that they are direct, from voter to deputy, but entail the orientation of the voter to a specific party, not to the deputy he wants and chooses.

Fourth, when the Egyptian constitution was passed, on 11 September 1971, stipulating the method of elections in Article 87, it stated that that would be the method of direct secret general elections. When the constitution was amended by adding the Consultative Assembly, it stipulated, in Article 196, that "two thirds of the members of the Consultative Assembly would be elected by direct secret general ballot, provided that half of those at least be workers and peasants, and the president would appoint the remaining third." Therefore, we consider that when the law on the Consultative Assembly specified election by lists, it violated the text of the constitution, in a manner which imprinted unconstitutionality on this law, and, if some jurists consider that the stipulation on direct secret general elections extends to and embraces elections by lists, an opinion which has been given preference, it is incompatible with the expression of the stipulation and meaning of the constitution.

Fifth, elections by absolute list entail the destruction of democracy and mean the establishment of a single authoritarian party. A democratic system can be established only on the presence of a number of parties, and this was stipulated in our constitution, in Article Five, after it was amended.

Sixth, direct individual elections preserve the deputy's ties with his voters and his contacts with them in seeking their opinions and taking their pulse on matters that arise. He needs them in a manner where he should be in permanent contact with them, in a manner that will more deeply implant and strengthen democracy.

Seventh, one of the most dangerous results to be derived from elections by absolute or relative lists is that the deputies are in the grip of the leaders of the party, who have power over their getting positions suitable on the list, and they do not feel a need for voters. Therein lies the destruction of democracy: the deputies cannot address themselves to views differing from those the leaders of their parties embrace.

Eighth, it is inconceivable that elections would be carried out by lists among parties, ignoring the independents who have asserted their existence in Egyptian parliamentary life and their freedom loudly to proclaim bold opinions in confrontation with the rulers. Thus, the views of a large segment of public opinion, which has elected the independents, will have been wasted. Election statistics in Egypt show that in the recent term, in the second legislative period, more than 40 percent of the voters who came forward to cast their votes in the elections gave them to independent deputies, and in the third legislative period also it was shown that 37 percent gave their votes to the independents. How can one prohibit the independents from exercising their constitutional right to run as candidates and be elected?

Ninth, it is inconceivable that the independents could be prevented from exercising one of their rights because they could not run as candidates in the system of lists, and because the door to the establishment of parties with programs they are happy with, and toward whose execution they can work, has been closed off because of existing restrictions in the Law on Parties.

Tenth, the views of people who encourage lists, to the effect that individual elections contain bad features embodied in the fact that a candidate who leads by one vote will be elected, which prompts them to endorse elections by lists, are to be rejected, since elections by lists result in the dominance by absolute lists, if they lead by one vote more. That makes the criticism directed against individual elections that are short by one vote a blessing that is not to be denied, because absolute lists give preference to all deputies together; this makes the error in the case of a single person a blessing when this error is taken into consideration.

These are the justifications for election by direct individual means. There is no doubt that this is the method that is in keeping with the provisions of our constitution and with our traditions, which have been established in the conscience of the nation for decades. In order for this method to realize its objective, it must be surrounded by a wall of discipline, and the negative features of compulsion, pressure and fraud that we have complained about must be repudiated, so that our condition may thereby be set right and the people may be able to bring forth a People's Assembly which will realize the hopes and wishes of the nation in free, chaste elections at the hands of a neutral government which is far removed from parties. God states the truth, and guides one to the right path.

11887

CSO: 4504/495

FIRST GOVERNMENT-SUPPORTED JEWISH-ARAB INSTITUTE

Tel Aviv NEWSVIEW in English No 30, 2 Aug 83

[Text]

The Institute of Education for Co-existence between Jews and Arabs has been functioning since January. To some Israelis, this may not seem unusual, since there are already some 40 associations in this country aimed at furthering Jewish-Arab relations. However, the new institute's uniqueness lies in the fact that it is the first government-supported group of its kind.

Officially launched in April, its offices are located in Jerusalem. The institute is affiliated not only with the Ministry of Education and Culture but also with the Office of the Adviser on Arab Affairs in the prime minister's bureau. It is funded by the Hans Zeidel Foundation — a West-German government foundation supported by the Christian-Socialist Union Party of Bavaria — whose goals are to establish educational programs throughout the world in order to strengthen the bases of democracy.

The institute's aim is "to be a central body in Israel promoting meetings between Jews and Arabs and training educators for Jewish-Arab coexistence in various sectors." The man behind the institute, director Gershon Baskin, is convinced that many of Israel's political problems are deeply embedded in mutual Jewish and Arab emotional and psychological barriers. He says: "Today, every sixth Israeli is an Arab (Israel has some 600,000 Arab citizens). The Arab minority is differentiated from the Jewish majority by its culture, nationality, language and religion. The symbols of the state — flag,

national anthem, etc. — are Jewish and Zionist and it is difficult for the Arab citizens of the state to identify with them. Moreover, the continuing conflict between Israel and its Arab neighbors has strengthened the always deeply-embedded mutual emotional and psychological barriers, making them more resistant to change. The two populations of the state of Israel rarely have opportunities to meet each other, and there exists a large amount of mutual ignorance."

The new institute aims at breaking down that "mutual ignorance" within the framework of its educational activities. One of these — the program for high school students — has, till now, involved some 400 eleventh-graders in Jewish schools in Jerusalem and Kfar Saba, and in Arab schools in Taibeh, Tira and Kfar Jat (all located in the Kfar Saba-Hadera area).

Jewish and Arab classes that are paired together first receive separately an orientation by the institute's facilitators. This is followed by mutual visits in the two classes' communities, and a three- or four day joint-seminar, involving intensive encounters on cultural similarities, differences and stereotypes as well as communications exercises and political discussions. All these activities take place within the framework of the respective schools' official curriculum.

Other ongoing activities are a six-month leadership training course for Jewish and Arab adults, joint seminars for Jewish and Arab local mayors, and teach-

er-training on how to approach the subject of Jewish-Arab relations in the classroom.

The institute is presently developing a pedagogical center and a library for educators and other interested persons throughout the country. Its quarterly *Ahva* (brotherhood), is the first of its kind: appearing in Hebrew and Arabic, it functions as a forum for presenting new, and possibly controversial, ideas on relations between Jews and Arabs in the state of Israel.

Director Baskin, 27, is an American-born enthusiast. After studying politics and Middle East history, he decided to make Israel his home five years ago. Viewing the field of Jewish-Arab relations as one of the most serious problems that Israel has to deal with, and feeling he could make a contribution in this area, he first joined "Interns for Peace" — a two-year community work program for Jewish and Arab adults.

Living in the 7,000-member Arab village of Kfar Kara in Wadi Ara, near Ha-

dera, and working primarily on educational projects, he could find no official address in the Ministry of Education to turn to. He started lobbying intensively and after 14 months, the ministry created a position of coordinator for Jewish-Arab educational programs throughout the country — which Baskin filled. About this time, the Hans Zeidel Foundation requested that the ministry prepare a proposal for a comprehensive Jewish-Arab education program. Baskin, in his capacity as coordinator, was asked to write the proposal. After doing so, he then became the director of the institute resulting from that proposal — The Institute of Education for Coexistence between Jews and Arabs.

Denise Levin

CSO: 4400/480

FARM SETTLEMENTS BANKRUPTCY BLAMED ON FINANCE MINISTRY

Jerusalem THE JERUSALEM POST in English 2 Aug 83 pp 1, 2

[Article by Joshua Brilliant]

[Text]

TEL AVIV -- Ten agricultural settlements are in danger of going bankrupt -- sharing the fate of Noga and Eitan which have just collapsed under a heavy burden of debts -- but the Finance and Agriculture Ministries yesterday kept up their months-long argument over who should provide the money for a revival programme.

According to Yair Yakir, the registrar of cooperative organizations "dozens of settlements are in serious financial straits. Ten are in a very serious situation because they are not functioning and have debts they cannot meet without government help," Yakir said the debts of 239 moshavim total IS3.5 billion.

Deputy Agriculture Minister Pessah Grupper placed the blame at the Finance Minister's doorstep, saying his ministry has been waiting for financial assistance for several months. Grupper is running the ministry following the recent death of agriculture minister Simha Ehrlich and this week's heart operation of the second deputy minister, Michael Dekel.

In a statement yesterday Grupper said that four months ago his ministry presented a plan to revive 30 settlements at a total investment of IS2b.

He told *The Jerusalem Post* the 30 settlements were among 100 which two years ago were described as requiring help. The ministry received IS300m. a year and a half ago to help the 30 settlements and Grupper said it did a good job with it. "We had decided to wait six months and if everything went well, we'd

get money for 30 other settlements," he added.

According to Grupper, the Agriculture Ministry's survey showed a marked improvement in many of the 30 settlements and "it was time" to tackle the second group.

Grupper said he had warned Finance Minister Yoram Aridor of a deterioration "unless the money is provided."

But the Finance Ministry insisted that the Agriculture Ministry had already received all the money allocated to it. The Finance Ministry's spokeswoman, in a statement approved by Aridor, added scathingly: "Apparently the deputy minister is not well versed in his ministry's budget."

The statement said Grupper must make ends meet with what he has.

"If the Ministry of Agriculture does not provide necessary funds to help out settlements — this means it does not consider the plight of those settlements foremost in its list of priorities," the Treasury's spokeswoman added.

But Grupper, reached at his home last night, laughed at the suggestion he was not familiar with his budget. "The assistance programme is not in the budget. There's a written agreement with the Treasury," he insisted. He added he was counting on Prime Minister Menachem Begin — as acting agriculture minister — to intervene.

The hardships appear to have hit especially settlements in the Lachish area and in the Jordan Valley. But Amos Hadar, the secretary of the Moshav Movement, said citrus growers in central Israel also will be in trouble unless help is forthcoming.

Grupper said the problems originally stemmed from the fact that when those areas were built up — under the previous labour

governments — settlers did not get enough land and water. That, he told *The Post*, made their production costs per unit too high. Faulty management in the settlements, and in some cases bitter fighting between moshav members, paralyzed local institutions.

Efraim Shalom, a senior official in the Moshav Movement, blamed Likud government shortcomings for difficulties the farmers have been facing.

He said that several years ago there was a massive move to build greenhouses. However development loans were given too late and did not cover the investment in real terms nor the interest on loans taken to finance the actual work, he said.

According to Hadar, there are also too many farmers for a country the size of Israel. The authorities thought that would not be a problem because Israel would export produce. But three years ago exports dropped because of the world economic situation and some farmers are still suffering — paying 9 to 10 per cent monthly interest.

ECONOMIC HIGH TECHNOLOGY TIES WITH EUROPE TO EXPAND

Tel Aviv DAVAR in Hebrew 1 Jul 83 p 14

[Text] The Common Market nations plan a positive turn in their economic relations with Israel, and, apparently, will increase cooperation with it. This assessment was expressed by the director of the Investments Authority, Refa'el Benvenisti, in a conversation with a DAVAR editor.

According to him, the Europeans need new technology in order to improve their ability to compete with the United States and Japan in the area of scientific industries. The Europeans are behind Japan and the United States in this area, and Israel is one of the best sources of advanced technology in several areas. In the estimation of the Investments Authority, the Europeans will want to acquire Israel's inventory of research and development for application in industries and also to invest in research and development in Israel. Areas in which there is likely to be close cooperation between Europe and Israel include programming, robotics, biotechnology, communications and more.

Benvenisti pointed out that recently a growing interest has become noticeable amid European industrialists in Israel, and the matter has expressed itself in a strengthening of mutual ties. Thus, three economic delegations from France have visited Israel recently, two of them government ones. The delegation of French industrialists included representatives of companies whose annual turnover is about \$4 billion (or almost twice the national product of Israel). In the course of a seminar which Israel organized in Italy, 60 of the 80 Italian companies which took part in the event requested personal meetings with Israeli representatives. Among those companies are top level ones in Italy.

Progress was made in relations with Germany when it was decided to renew the activity of the joint German-Israeli economic committee which was established in the seventies but which had convened only once since its establishment. An important factor in the Europeans' desire to get closer to Israel is the relative weakening of the oil producing Arab nations.

9348

CSO: 4423/158

DIPLOMATS WORK FOR RENEWED TIES WITH AFRICA

Tel Aviv MA'ARIV in Hebrew 17 Jul 83 p 3

[Text] Israeli diplomats have recently made a number of secret visits to African nations and established advanced contacts with leaders on the Black Continent relative to renewal of diplomatic relations with Israel. At least five African leaders, among them two of the more important of the Continent, announced that they are giving positive consideration this step and would release information about that shortly.

MA'ARIV has learned that the secret visit of Foreign Minister Yitzhaq Shamir to Europe and his meeting with the president of the Ivory Coast Houphouet-Boigny represents the maximum effort of the Foreign Ministry to achieve an imminent diplomatic breakthrough in Africa.

Foreign Minister Yitzhaq Shamir returned at the end of this week to Israel and today will report in detail to Prime Minister Menachem Begin regarding his meeting. Mr Shamir will not report on this matter at today's meeting of the government. A few months ago Mr Shamir met secretly with another African leader of one of the larger nations on the continent, but this meeting did not bring about a turnaround in diplomatic relations, despite the system of contacts which this nation maintains with Israel unofficially.

During the meetings with the African leaders, the Israeli representatives heard praise for the support that Israel is extending to Zaire in a variety of spheres, including training of formations and special units in the army, since its renewal of diplomatic relations with Israel.

The president of Zaire, General Mobutu is planning a state visit to Israel, but is setting a condition: a visit by Prime Minister Menachem Begin is to precede his visit to Jerusalem.

Senior diplomatic sources in Jerusalem offered their assessment that the factor delaying an announcement by African leaders of renewal of diplomatic relations with Israel is "psychological fear." According to their assessment the African leaders will eventually overcome this fear, and will announce publicly within a short time their intention to renew their diplomatic relations with Israel.

8090

CSO: 4423/165

ENERGY MINISTER DISCUSSES LIBERAL PARTY LINE

Tel Aviv YOMAN HASHAVU'A in Hebrew No 66, 22 Jul 83 p 21

[Interview with Energy Minister Yitzhak Moda'i by Adar Qeysari; date and place not specified]

[Text] Energy Minister Yitzhak Moda'i, a central figure in the Liberal Party, is shaky in his decision vis-a-vis how to lead the Liberals onto the road to glory, if we are to judge by what he says and the expression on his face.

[Question] Mr Minister, what is your position today in the Liberal Party? Has anything been decided?

[Answer] Nothing has been decided. All the legitimate party institutions--they and only they will be the determining factors.

[Question] Where is the wind blowing?

[Answer] I don't know what will be decided. I can only say that questions of personalities will not be in the forefront. There are other issues which the Liberal Party must deal with first.

[Question] For example?

[Answer] For example, the Liberal Party's role in law-making economic and social policy, development, defense and foreign affairs. Another area we will need to deal with is the party organization, the workings of the central institution and its branches. What's more, we need to think about bylaws and an operations network, like a secretary general and a permanent operations department.

[Question] Rumor has it that they want to bring Ezer Weitzman back to head the Liberal Party...

[Answer] We're not even considering such a step. If Weitzman wasn't a Herut man--and it's well known that you don't just jump from one section of the Likud to another--he might be able to join as a rank and file member of the party.

[Question] The prime minister is about to leave for the United States. There is a possibility that President Reagan will ask Israel to put a freeze on

settlements in Judea and Samaria, "to advance peace." What, in your opinion, should Israel reply?

[Answer] Israel is a sovereign nation, acting in its own interests and not according to requests or demands from the outside, even if we're talking about an ally. On this subject, we cannot allow ourselves to yield to American pressure, even though it is a sensitive subject and the opposition is against the settlements. I would even go so far as to say that it is precisely these differences of opinion at home which make us all the more firm in our decision not to give in to outside pressure. The President of the United States is now entering a campaign year in his country. That is a comfortable situation for Israel. What's more, in the United States you find an American Jewish lobby and several non-Jewish sectors which support Israel as well. The amity between the U.S. and Israel is based on interests common to both nations and on the broad support we have there. It is up to us to cultivate both these factors simultaneously.

[Question] The government decided on a new policy, soon to go into effect in Lebanon. The opposition is calling for a total withdrawal from Lebanon. What is your opinion?

[Answer] A major decision must be reached soon vis-a-vis Lebanon: Will Lebanon exist as a sovereign state, or will it be divided? Due to a lack of alternatives, if the agreement between us and Lebanon is not accepted down to the last letter, we will have to take upon ourselves the burden of controlling the security zone south of the Awwali River, including Jabal Barukh--around 12 percent of the Lebanese territory. This, of course, is not an ethical solution, but in order to circumvent it, Lebanon would have to demonstrate that it is capable of controlling its entire territory on its own, and assume full responsibility for actions within its borders--for everything that impacts on its neighbors. There is no other solution, because Israel will not renege on its responsibility to maintain a secure northern border. I would prefer to see a sovereign Lebanon, capable of controlling its own territory. Otherwise, the following possibilities exist:

--That the IDF will maintain the area south of the Awwali

--That the IDF, together with local (Haddad) forces, will control the above-mentioned territory

--That local forces will control the territory in question, with IDF support.

[Question] After the Six-Day war, you were appointed military governor of the Gaza Strip. It was at that time that the IDF established a strong base in that area and was able to choke out terrorism. Can this be done in southern Lebanon?

[Answer] What we did in the Gaza Strip can be done in the security zone south of the Awwali.

[Question] What about a hasty retreat from Lebanon, before the above-mentioned measures go into effect?

[Answer] If our only goal was to get out of Lebanon, we would not have gone in in the first place. We must remain in the security zone until one of the three possibilities I enumerated is implemented.

[Question] And what is the solution for Judea, Samaria and the Gaza Strip?

[Answer] That's another story entirely. In those areas, we are in no way, shape or form willing to transfer the responsibility for security to anyone else. That was part of the Camp David accords. The reasons are: 1) No one else has sovereign rights to those areas;

2) The geographic and topological situation is different than in Lebanon and the dangers are more integrally related to Israel's very existence.

[Question] MK Peres claims that we should settle alongside Arab settlements, not within them. For example: In Qiriyat Arba'--yes, in Hebron--no.

[Answer] We have the right to settle anywhere, but not to despoil. My retort to MK Peres is that there are no hard and fast rules: Tel Aviv was founded alongside Yafo, and it worked. On the other hand, a Jewish settlement was founded in Tzefat proper, and that worked, too.

[Question] In your opinion, are Jewish settlements in Judea, Samaria and Gaza necessary for our security and existence?

[Answer] Settlement as a tool for maintaining security is an "invention" of the Alignment. The principle is that settlement is not only a territorial movement but a defense strategy aimed at securing the heart of the country. What was true when the Alignment was in power, vis-a-vis the Galilee and the Negev, is true manytimes over with regard to Judea and Samaria.

9811

CSO: 4423/167

HISTADRUT DEALS WITH UNIONS DEMANDING WAGE HIKES

Tel Aviv HA'ARETZ in Hebrew 1 Jul 83 p 14

[Article by Yehudit Winkler: "The Histadrut as the Support of the Government"]

[Text] The worst fear of Israel Qeysar, acting secretary of the Histadrut and chairman of the Trade Union Division, is being realized. Less than 24 hours after the end of the doctors' strike, Qeysar had to summon police forces against trade unions which one after the other were clamoring for their share in the cause of disrupting the skeleton agreement. While the minister of finance remained silent in face of the danger of a collapse in relations between labor and management, Qeysar stood in the center of the arena and around him the ring of unions drew closer, repeating the chorus, "We deserve something too."

The Histadrut leadership had already taken preventative actions at the beginning of the week in anticipation of the above scenario when it gave the go ahead to the government to submit for arbitration the articles under dispute. At that session, the organizing committee, following Meshel's suggestion, recorded "with approval, esteem and satisfaction" the moderate and restrained reactions of the trade union leaders and the national trade organizations towards the proposals for settlement of the conflict with the doctors. In the resolution, exceptions were not discussed specifically, but verbal statements by Histadrut leaders left no room for doubt about their intentions. In view of the fact that decisions made by the central committee reflect the goings on in the Histadrut and the trade unions, it was clear that the Histadrut leadership was well on its way to softening its stance toward the trade unions.

The breach in the skeleton agreement had actually been made a long time before the government bowed to the demands of the doctors. Its foundations had been laid in a separate agreement between the management of the Sick Fund and the clinic doctors. To this day the Histadrut, read Sick Fund, refuses to reveal the details of the agreement and its cost. Unofficial estimates, however, place the increases at between 40 and 58 percent. While the Histadrut leaders were condemning the government for its weakness and for conducting losing negotiations, and at the same time not holding back their criticism of the doctors, they were secretly carrying on intensive negotiations with the clinic doctors. Finally, in two separate moves, they were able to drive a wedge in the ranks of the non-Histadrut trade union and to forge a new group labor agreement in total cooperation with the Ministry of Finance. The trade unions kept quiet

and did not demand conclusive clarifications with respect to the rate of increase. At the height of the strike, everyone wanted to appear to be reasonable, responsible and concerned with the welfare of the patients. At a press conference paramedical trade unions expressed their deep concern over the worsening situation and hinted at their willingness to hold off and not demand for themselves the same things the doctors had achieved. The trade unions in the production sector accepted Qeysar's position and preferred, at the same time, to carry on negotiations with the coordinating office of the economic organizations concerning the acceptance of an erosion. It appears, however, that the conclusion of the doctors' strike and the pressure on Histadrut leadership will prove beneficial primarily for the approximate 400,000 employees in the business sector.

With hindsight, one can say that the contribution of the Histadrut to the settlement of the dispute with the doctors was puzzling, to say the least. Let it suffice to say that the Histadrut, through the Sick Fund, refused to enter into negotiations with the doctors throughout the major part of the strike under the strange pretext that as long as Sick Fund clinics were on strike, it could not take part in the discussion. This excuse did not stop the Histadrut from carrying on separate, secret negotiations, behind the back of the medical association, with the clinic doctors. Throughout the months of the strike, the Histadrut stubbornly refused to accept the suggestion of Yitzhaq Barqa'i wrote to Secretary General Meshel: "I cannot rid myself of the thought that if you had only agreed sooner to yield to arbitration, we could have been saved a great deal of trouble and disgrace. I can only express amazement and sorrow at the sharpness of your opposition and that of some of your comrades to the notion of arbitration when I proposed it numerous times in sessions of the central committee in the early stages of the conflict with the doctors."

Now, like it or not, Israel Qeysar will have to assume policing functions which he worried about and protested about during the 4 months of the strike. The first sign that the trade unions would demand a share in the new distribution came from Yitzhaq Raz, secretary of the Engineers Association. One could hardly say that the engineers came away from the agreement with the short end of the stick. On the eve of the signing of the agreement in the Actions Committee building, Raz hinted proudly at the excellent gains he had achieved in altering the pay scale of his people. As the one who had headed the new faction which had brought about the upheaval in the Engineers Association, Raz needed an accomplishment to justify the expectations. He felt that such an accomplishment was hidden in the skeleton agreement. Now he hastened to point out that the agreement had been broken by the wage hike for the doctors. He warned about setting a precedent which would encourage other trade unions, and he did not forget to strike a blow at Histadrut leadership by saying that a non-Histadrut trade union managed to reap greater gains than those of a Histadrut union.

There is, however, another reason for Raz' vehemence. Recently he has been conducting a battle against the engineering assistants and technicians who, he claims, benefited by something which makes a mockery of the investment of years of academic study made by most engineers. In speaking of the need to localize the problems, Israel Qeysar's intention may be, among other things, to deal with the unique demands of this or that group, such as the engineers;

demands which can be settled without much fanfare and without an upsetting battle, within the framework of the joint follow-up committee of the Histadrut and the government.

The strategy of the Histadrut leadership in relation to the demands of the trade unions can be described for now as mainly an attempt to cool things down and to stop any antagonistic organizing. Qeysar, who, to a large extent, has to do the work of the Ministry of Finance, wants, first of all, to receive complete clarification of the meaning of various articles of the agreement. Secondly, Qeysar maintains that one must await the results of arbitration (40 days) and only then calculate the actual increase to be paid to the doctors, on the assumption that a substantial portion of the increase will be paid to them in stages.

It is reasonable to assume that by April of 1984, when the agreement expires, the actual difference will be substantially less than the total increase discussed in the basic agreement between the government and the doctors.

Time is an important factor in the course of labor relations, and Qeysar, who is considered to be an expert in the full sense of the word in this realm, is now working to buy time. In the Histadrut, they are hoping that very soon an agreement will be reached with the coordinating office of the economic organizations, with the support of the treasury, to pay an erosion compensation to the trade unions in the business sector. A raise of about 6-8 percent will cool things off among production workers. The Histadrut leadership will have a harder time in the area of public services. It will most likely function immediately to bring about specific changes (for engineers, senior nurses), and, in a practical way, which generally characterizes the activity of the trade union division, it will see to it that the gains made by the doctors are taken into account in the negotiations concerning the new salary agreements in public and government service without those gains constituting a pretext for further uprisings which might endanger the economy as a whole.

More than once in the past, the government has needed the close cooperation of the Histadrut leadership. Against this background it can be assumed that the government will not make a serious attempt to rush the investigation concerning compulsory arbitration which the Histadrut vigorously opposes. Even the minister of health, Eli'ezer Shostaq, will have to curb his statements against Histadrut leaders and forego his plans to advance his initiative concerning the administration of government health insurance. In the balance sheet of deterrence, the Histadrut has armed itself with heavy equipment in the wake of the doctors' strike, and the government will have to contend with it.

9348

CSO: 4423/158

NEW IMPROVEMENTS IN TANKS REVEALED

Tel Aviv MA'ARIV in Hebrew 17 Jul 83 p 19

[Article by Avraham Peleg: "A Dual-Purpose Raft for Tanks Has Been Developed in This Country"]

[Text] At the 17th Israeli Conference of Mechanical Engineering held last week in Tel Aviv, there were reports on a series of developments and sophisticated combat equipment.

There was a report on development of a sophisticated raft. For moving tanks over water obstacles both by flotation as well as over a bridge, a dual-purpose raft has been developed which functions as a single raft and has the capability of being quickly joined with other rafts to create a floating bridge.

The raft, which has been built by Military Industry, can be drawn by a single tank. The naval propulsion system can be controlled by a single serviceman from a variety of positions on the raft. The raft is also equipped with foam-filled buoys to prevent the seepage of water in the event of damage to a side.

Another researcher from Military Industry reported to the conference on the development of rocket launchers made of compound materials (different materials bonded together in a sort of sandwich, a construction which gives them particular strength).

Two main systems were reported upon: A B-300 anti-tank system, one man operable, which has been developed by Military Industry. The system includes a launcher and rack for holding ammunition.

The second system is the Stinger. This is an anti-aircraft missile, one man operable, developed by the American General Dynamics Company. Military Industry has until now supplied several thousand such launchers for this system in accordance with particularly stringent American specifications.

Aircraft Industry reported on the development of the remote piloted vehicle as a new approach in combat capabilities. At the end of the sixties attempts were being conducted worldwide to apply radio controlled models for combat intelligence missions. The early experiments included use of ordinary television cameras combined with large scale models. Within a short time it

became apparent that this method was unsuited to military purposes. However, the improvement and the miniaturization which took place subsequently in electronics made possible the development of the military RPV, in the development of which Israel has pioneered.

Currently, the Israeli RPV's include televised targets, a control vehicle and a data processing center, an automatic launcher and an automatic application system.

Current uses for the RPV are: intelligence, service to land and sea forces. In work on armor-piercing ammunition, it was noted that development of such armament constitutes a challenge in the sphere of mechanical and materials engineering. It was noted that Military Industry achieved, thanks to the success of its development a prestigious standing among Western nations engaged in the development of this type of armament.

8090

CSO: 4423/165

LACK OF REGULATION OF PUBLIC OPINION POLLS CRITICIZED

Tel Aviv YOMAN HASHAVU'A in Hebrew No 66, 22 Jul 83 pp 29-33

[Article by Ziv Cooper: "The Public Opinion Lie"]

[Text] During the last Knesset, Deputy Minister Dov Shilenski, then a rank and file MK, proposed a law for more stringent control of public opinion polls. The Shilenski law has been in the Knesset for 5 years now, and it has become like a white elephant. No one is really interested in the law and no one is really trying to push it through. In contrast to the situation in most developed nations, in Israel, anyone, regardless of his education or if he is a known crook, can start a company for polling public opinion. No one can check if the surveys published are true or not, or if the results published are intended to promote the party's best interests. "Small parties have been wiped off the face of the political map by public opinion polls," claims Mina Tzemah.

During the week of 19-24 June 1983, Dr Mina Tzemah of the Dahaf Institute conducted a poll that was published in the weekly magazine KOTERET RASHIT. The poll showed that without Begin, the Likud would, were elections held that week, receive 54 seats; with Begin, 51. The Alignment, on the other hand, would receive 54 seats if Begin was not at the helm of the Likud Party, 47 if he were. That same week (19 June to be exact), Dr Sara Shemer of "Modayin Ezrahi" published the findings of her poll in MA'ARIV and the JERUSALEM POST. According to her poll, the Likud, were elections held that week, would receive 48 seats, the Alignment 47. Refael Gil of the Puri Institute released the findings of his survey on 17 June. He reported to the public that the Alignment would win 38.6 percent of the votes and that the Likud would win 35.8 percent. Translating these percentages into seats would mean 48 to 49 for the Alignment and 47 for the Likud.

Three pollers, three results--raising the question: Can the institutions polling public opinion be trusted at all, and should they be taken seriously.

It appears that the population at large pays serious attention to the polls. Public opinion polls, frequently published in newspapers following a questionnaire presented to a small group of people, can diametrically change the individual's opinion on various subjects--starting with which party he will vote for and including the use of a product recommended by most people surveyed as "the product in the most popular demand."

Many politicians in the world have built election and public relation campaigns on predictions and public opinion surveys. However, while in most countries various types of public opinion surveys are regulated by law and governed by strict rules of ethics and fair play, which prevent falsification or leading the public astray except in cases where people knowingly break the law--in Israel, there is no law governing public opinion polls and anyone can open an office for surveying public opinion and flood the public with data which may occasionally be fabricated.

The chairman of the five oldest firms, which have consolidated, claim that they run their operations in a very above-board fashion. Refael Gil, chairman of the Union of Israeli Social Research Institutes (IRI), claims that the consolidation was intended to protect ethics. However, Gil does not deny that it is easy to deceive the public and falsify public opinion polls--"But anyone who does it will do it only once," he says.

Gil, one of the owners of the Puri Institute for Social Research, says of surveys pertaining to parties that: "All public opinion polls and predictions pertaining to parties are prophecies for fools and it has already been proven that election results cannot be predicted. The results that are published in the press are true only on the day the survey was conducted and I have asked the newspapers to print a notice to that effect." Actually, several weeks pass between the time the survey is taken and the time the data is finally analyzed. But not all newspapers indicate the date of the survey and therefore the different survey results may be printed during a given week. Even surveys conducted during the same week may yield different results. It depends on the wording of the questions, the tone of the survey, the areas in which it is conducted and the exact date. Even a difference of a few hours may diametrically change the political outlook of a survey. A new political, economic or military development, something unexpected, may at a given moment change the percentages of support for various parties. But although those who conduct the surveys are aware of these problems, the results of surveys, conducted perhaps for internal use, continue to be published on the front pages of commercial papers. There is competition over the number of seats predicted, over predicting political trends and in other cases, over predicting product popularity.

Refael Gil admits that in election surveys an error factor of 2.9 percent is acceptable, but that the marginal error may be even greater because the people surveyed may not want to expose themselves politically. Gil comes out against his colleagues with another claim. He says that his colleagues analyze polls based on seats, which cannot really be calculated because it is impossible to know the "magic number" for a seat until after the votes have actually been counted following an election. "I once asked Mina Tzemah why she insisted on publishing results according to seats and I never got a clear answer." This is perhaps the reason why Shimon Peres and his friends--the story is a matter of record--had suits tailored to order during the last elections and the elections prior to that. It is also the reason why Jimmy Carter, the candidate for the American presidency who was sure of a victory due to the polls conducted in his country, came out of the election with his head in his hands and with an emotional blow which some say has not healed to this very day--because a day

after the election, the final results showed a complete turnabout in the public opinion polls.

Usually, in a representative survey, 1,200 people are interviewed, but in actuality, 800 people can serve as a sample.

"There are many institutes who are not members of our union and whose owners do not adhere to the minimal criteria set by the union. The first criteria we set is that the conductor of the survey will have at least a Master's degree in behavioral science. But the field has also attracted publishers, private researchers and others who sniffed out the possibility of making a lot of money quickly and without much effort."

For example, Tzvi Hister, the owner of a research firm, advertizes in the yellow pages that he offers "survey services." A certain private detective with an office in Tel Aviv in the past has serviced the owners of by clients a practical survey institute and the suspicion arose that this famous detective might use the survey as a pretext to enter homes for purposes of an investigation and expose intimate details about a husband and wife living separately, for example. And it would have been at the invitation of one of the parties involved.

It has already been noted that even public opinion polls conducted by "serious" institutes are only valid on the day they are conducted, because some of the interviewees are undecided, and some may change their minds in the course of time. The truth is that only the best in the profession, and those with extensive experience, arrive at conclusions which are more or less valid. Frequently experts claim that guess work and intuition play a significant role. Gil says: "I would be happy if a law were passed prohibiting the publication of election surveys altogether, because of the vast discrepancies from one day to the next." Gil tells of an interesting experiment conducted by one of the Israeli evening papers which gave a political public opinion survey to three institutes which conducted their surveys on the same day. Using the same questions, identical results were recorded.

But invalid results can occur when the surveyors in the field falsify data. The surveyor, who is paid per interview or visit, may not go back a second time if the apartment was empty the first time or if the residents did not know Hebrew well enough to participate in the survey or for a variety of other reasons. YOMAN HASHAVU'A has proof that some surveyors who were employed during a poll conducted a few years ago for a broad statistical survey, filled in some questionnaires themselves, using their own vivid imaginations.

Gil admits that this may be true: "We have had invalid results, which we discover by sending out a second questionnaire to a certain percentage of the interviewees. In some cases, we were told by the interviewees that the first time they filled in the questionnaire they were "just fooling around," or that they had changed their minds. But we did not find incidents of falsification or fabrication. It is true, however, that an interviewer with a clear party bias can influence the interviewee's answers. Thus, the idea is to maximize the dispersion of risk. I admit that it is very easy to lie, and we therefore

employ a large permanent staff of 250 adult women."

Each year, the Puri Institute chooses, based on surveys, the most popular firm in each sector and in four cities in Israel. This survey is commissioned by YEDI'OT AHARONOT, and 600 interviewers are employed in Tel Aviv, Jerusalem, Haifa and Beer Sheva. All the surveys are conducted using a random field sample, by apartments in certain areas, determined by a computer. "I just offer a service. I'll get my fee from the client even if the findings reveal that the firm, or party, which commissioned the survey isn't worth beans. We take a picture of a situation at a given moment, and our only interest lies in protecting our good name."

Deputy Minister Dov Shilenski claims that public opinion polls are actually blatant slander, lies and accusations. Shilenski avidly supports the regulation of public opinion polls, to ensure that the polls are conducted according to "ethical, scientific methods and in complete fairness. This is really an open field. Anyone can take a few kids, conduct a survey and, using trickery, can brainwash the public," says Shilenski.

In the previous Knesset, Shilenski submitted a proposal for a law to cover public opinion polls. Meanwhile, he was appointed deputy minister. In the position, he cannot propose a law unless he goes through the government, and even then, he can only do it if the issue pertains to his current function. Thus the original proposal is collecting dust and anyone who wants to can continue brainwashing the public, not to mention conducting outright scams and deception.

"Before the last elections, I went out into the field and saw that the situation in the branches indicated a completely different situation that the public opinion polls published by Mina Tzemah and others had shown. They claimed that my information was not correct because the people I interviewed did not feel free to speak their minds and reveal their innermost thoughts in my presence. So I disguised myself with dark, thick glasses and a hat. I roamed through the country and no one recognized me. Still I found that even one man could infuse the public with distorted data. At the time, for example, there had been polls indicating that most people were against the "one Israel" platform and the settlement of Judea and Samaria. But the opposite feeling came through when I actually went into the field myself."

Dr Sarah Shemer, of the Modayin Ezrahi Center for Practical Research, says that the public opinion polls are used as an ongoing gauge of trends and changing views. She says, "In the last elections, we conducted a poll 6 days before the actual election, and due to greater public identification with the two major parties, during the week preceeding the election, 15 to 20 percent of the people switched their support from small parties to large ones. Our surveys also proved that only 50 percent of the Israeli public is faithful to a given party and votes for that party consistently." Dr Shemer admits that the interviewers do not perform their jobs conscientiously and that only by repeatedly checking on them can errors be revealed, and even then in only some of the cases. Thirty percent of all the questionnaires are double checked,

and another 30 percent of the interviewees are contacted a second time for verification. Shemer has a doctoral degree in philosophy and a degree in communications from the University of Minnesota in the United States. In the public opinion polls conducted by Dr Shemer, Arabs and Kibbutz members are not counted, but a correction factor is entered to adjust for those sectors based on past performance. For political questions, when the alternatives are known, the "closed method" is used, whereby the possible answers are prepared ahead of time (as in American multiple choice exams). The interviewee need only choose the appropriate answer. A good poll hinges on a representative sample, on proper data collection and wording of the questions--data that allows the researcher to verify the validity of the material, to screen out irrelevant information and to analyze it.

In polls conducted before the last Knesset elections, Dr Shemer predicted that the Likud and the Alignment would both win 42 seats. Dr Mina Tzemah of Dahaf figured 43 and 43. In actuality, the Likud swept 48 seats while the Alignment received 47. The predictions were significantly off.

Dr Mina Tzemah of Dahaf worked several years for Modayin Ezrahi and was the only person before the 1977 elections who predicted the results and foresaw the political overthrow that brought the Likud to power. To explain the gaps between polls, she says that there is a 2.5 percent margin of error on each side, making a total possible error of five percent. Even two identical polls, conducted on the same day, can differ by as much as five percent. Most research is only deemed to be 95 percent accurate.

Tzemah revealed some inside secrets but would not disclose any names. Fifteen percent of the voters, she said, would not report their intentions. Some pollsters divide these votes proportionately among the major parties. "I don't do that. There are related questions which can offer an indication of which direction people are leaning. No sample can be more than 95 percent accurate, but to determine the best results, the sample must be representative, the answers cannot be misleading, the interviewers' field work must be good (they must be treated with respect but suspicion) and the analysis of the results must be performed at a professional level. A sample that conforms to these criteria will be reliable. "I know that polls influence public opinion," says Dr Tzemah. "The findings revealed by our polls have caused some smaller parties to lose power. Dudu Topaz cost the Alignment five mandates, that figure based on polls we conducted before and after his appearance."

[Question] For whom do you conduct polls?

[Answer] For all the Zionist parties.

[Question] Not just for the Alignment?

[Answer] No, we work for anyone who comes to us, excluding Rakah and the like.

[Question] Is the level of institutes in Israel high and are those who conduct the surveys reliable people?

[Answer] Today, there is no law regulating research institutes. More than once I have discovered falsification of research. What I can do is tell clients to stop working with people like that.

[Question] Can you give us some examples?

[Answer] Without giving out names. As far as the institutes that conduct economic and market studies, for example, there was one firm that sold the results of a survey to two clients by just changing the name on the top of the report.

[Question] How was that discovered?

[Answer] When the second firm bought the same study from the first.

[Question] And in political polls?

[Answer] I have had no experiences where a party has come to me in an attempt to influence a change, nor would they come--they know, of course, that I wouldn't do it.

[Question] Are your polls reliable?

[Answer] We have had the experience of finding out that interviewers filled in forms themselves, or instead of going to the area indicated for the sample, they interviewed relatives at home. In every poll, there is one incident of an interviewer who was negligent in some way. That interviewer accounts for 15 to 20 percent of the questionnaires. Usually, we catch the falsifiers by double checking.

[Question] What does the interviewer do if the door is closed?

[Answer] Our instructions are that the interviewer is supposed to return three times to the same address, and only then can he take an alternative address from the reserve list.

[Question] What, in your opinion, would the effect of a law regulating polls be on the level of such research?

[Answer] In my opinion, a law regulating polls is necessary. There are those (and I don't want to mention names) who work for the monetary benefits only. Even the Institute for Practical Social Research, which is a public non-profit institute, conducts research and publishes results and predictions for money. There was even a time when answers from interviewees who were not familiar with the products were counted in the final results. Even the Institute for Practical Social Research was guilty of this practice, until I brought it to their attention. Now they discard those types of answers and use only those where the interviewee specifically indicates the name of a preferred product.

There are also a few researchers who are not properly qualified. In my opinion, in order to run a institute of this kind, one needs a degree in statistics and research methods and a Masters in Social Science.

Deputy Minister Dov Shilenski adds: "I have no doubt that if a law is passed regulating polls, future incidents of fabrication will be avoided and the entire process will be more orderly. Surveys published will have to bear the name of the institute conducting the poll so that those guilty can be held accountable if the information is proven false. Today, there is no supervision over public opinion polls and this fact is exploited by jaded opportunists."

9811

CSO: 4423/167

APPROVAL GIVEN TO REOPEN TOXIC WASTE SITE

Tel Aviv DAVAR in Hebrew 5 Jul 83 p 7

[Text] The interoffice committee concerned with the toxic waste site in the Ramat Hovav region in the Negev approved in principle the plan presented by the Association of Industrial Structures to operate the site by the beginning of 1984. The committee was chosen in February of this year by the director-generals of the ministries of health, the interior and industry and commerce.

The chairman of the committee, head of the chemistry section in the Ministry of Industry and Commerce, Yigal Ehrlich, reported that after it was agreed that the Association of Industrial Structures would be in charge of operating the site, the group presented an initial plan for the Ramat Hovav region which would serve as a collection and disposal site for toxic industrial wastes for all the industrial sites in Israel.

The interoffice staff was established after problems became apparent concerning the operation of the place and after it was shut down several times due to lack of appropriate equipment for handling the various types of wastes being brought there. The committee was asked to examine what would be an appropriate organizational and legal framework for running the site, taking into account the economic and professional factors involved such as investment and operating costs as well as technical and administrative processes.

Ehrlich added that the detailed activity involved in setting up the site would be carried out in three stages. The first stage will include dealing with the existing area by a complete and final arrangement for all existing wastes including burial and neutralization of the toxic substances in the region. The second stage will involve expanding the existing site to enable it to take in additional toxic waste in a controlled manner. In the third stage, an industrial plant will be set up for collection of toxic wastes. The plant will treat the waste according to procedures agreed upon in advance by the interoffice committee.

9348

CSO: 4423/158

RETURN OF EMIGRANTS CAUSES REVERSAL IN TREND

Tel Aviv MA'ARIV in Hebrew 17 Jul 83 pp 1, 11

[Text] Thousands of Israeli emigrants have in recent months returned to Israel, creating a "reversal in immigration which is without precedent in recent years." According to the final figures of Mr Moshe Schechter, chief of the immigration agents in North America, 1,450 emigrants immigrated to Israel during the months of April, May and June of this year with the support of the Jewish Agency.

Another 600 immigrated by independent means, and 250 arrived as "mixed couples," those married to holders of foreign citizenship.

During the months of July and August a new peak is expected, according to Mr Schechter, which will include a monthly figure of some 1,000 emigrants. These figures were carefully examined by the immigration agents of the United States and Canada and they include only Israelis whose return to this country was authenticated by means of additional sources such as El Al.

Travel bureaus in the United States and moving companies which deal with the dispatching of freight to this country confirm that there is a rising tide of Israelis from the U.S. to this country. The main reason for the reversal in immigration is economic--the difficult situation in the U.S., and opportunities that have turned up for the emigrants to be absorbed in this country in appropriate positions. In recent months several hundred emigrants have come to this country by means of the Office for Academic Personnel of the Labor Department.

The Jewish Agency also plans to become active within the dropout community of immigrants from the USSR who are in New York and for that purpose a special office of the Agency is to open in Brighton Beach, where the community of dropouts is concentrated.

According to Mr Schechter, a significant increase also took place in the number of immigrants to Israel from among U.S. citizens, constituting a doubling of the number of immigrants as compared with 1981. This year, it is anticipated that about 4,000 immigrants from the U.S. will arrive in Israel. A special aircraft of immigrants is scheduled to depart from Kennedy Airport in New York on 26 July, in which there will be about 250 immigrants from the U.S. who will

pass through Lod to the absorption centers in Israel. The Jewish Agency has, in addition, publicized the names of the 250 immigrants to demonstrate that there is a factual basis to the reports on the numerical increase. The reason for the increase in immigration among American Jewry stems first and foremost from the intent of the immigrants to afford their children a Jewish education and to settle in a Jewish state.

8090

CSO: 4423/165

UNPRECEDENTED FREEZE IN DEMAND FOR WEST BANK LAND NOTED

Tel Aviv YEDI'OT AHARONOT in Hebrew 2 Aug 83 Supplement pp 1, 14

[Article by Avraham Dishon: "Unprecedented Freeze in Demand for Land in Judea and Samaria"]

[Text] Dozens of purchasers are trying to sell back the lands that they bought to build on. The ministerial committee on settlement affairs has not been functioning since the death of Simha Erlich. The delays have caused increased construction costs, and in many cases the buyers are unable to complete their homes. A master program for settlement in Judea and Samaria through 1986 has been completed.

It has been several weeks now since the unprecedented freeze in land purchases by private investors began in Judea and Samaria. The buying fever has stopped, and in its place there is a radical turnaround. It has been learned that dozens and perhaps hundreds of land purchasers are today trying to sell back the land that they bought to the groups that enticed them into buying a piece of land which would be the "realization of a private dream."

The ministerial committee on settlement affairs, whose job it is to certify the establishment of private settlements in Judea and Samaria, has not been functioning since the death of Deputy Prime Minister and Minister of Agriculture Simha Erlich, may he rest in peace, who was chairman of the committee. Because of the paralysis of the committee's activities, there has been a delay in the issuance of certifications for the establishment of new settlements. On the agenda for checking are the following private settlements: Tzofim, Keramin, Avne Hefetz, Ramat Hagay, Ye'arot, Lev Hashomron.

The Housing Ministry Issued a Warning

Despite the fact that the establishment of these settlements has not yet been authorized, the advertisements in the press are already inviting potential buyers to purchase parcels of land there. But even if the establishment of the settlements is authorized, it is doubtful if customers will "stand in line" to buy.

Furthermore the turnaround is extreme: just a few months ago demand exceeded supply and prices were skyrocketing. Now these properties are no longer "hits"; and by the same token there has been an almost complete end to the famous

"Sabbath caravans" of excited purchasers who came to show the "deal of the century" that they had made to friends and acquaintances or of potential buyers who came to tour the settlements. As great as the enthusiasm was, the retreat now is all the more surprising.

Now, after the confusion has abated, the criteria for the sale of land in Judea and Samaria to private citizens have been tightened. Also tightened are the instructions for allotment of land to private bodies who seek to establish settlements. But it appears that these decisions have come too late, after things have already "snowballed."

In the interest of fairness we should note that the housing ministry repeatedly warned about hanky-panky in the territories; the justice ministry also warned more than once that the registration of land was not sufficiently regulated. But these warnings fell on the deaf ears of excited buyers. The agriculture ministry, which is the government body in charge of settlement, often displayed excessive haste in the certification of land allotments--perhaps out of a desire to settle a lot and quickly in order to reach the vaunted goal of "100,000 Jews in Judea and Samaria by the end of 1986."

The facts which, apparently, have now caused the deep freeze began to show up little by little: there were groups which offered land for sale which they had never purchased. Only after the buyers slipped them thousands of dollars did they attempt to purchase the land that they had sold...there were groups that sold state land; others were shown to be without the professional capability and lacking the financial backing to launch big projects; and most serious of all--the government ministries themselves were stunned to "discover" in newspaper advertisements settlements which were never authorized by them...

A Dream for the Distant Future

It should be noted that these things do not apply to groups and contractors who offer the public finished houses or apartments such as: "Tzamarot" erected by the "Ashdar" construction group; "Ari'el" erected under the direction of the Ministry of Housing by various contractors; "Tzavta" erected by seven of Israel's largest builders; "Emanuel" the religious city erected by the contractors Mati Lifshitz and Levi Avrahami; "Nofim" erected by Dani Wyman through the construction company "Afar ve Sela"; "Oranit" erected by the A. Tz. Bernovitz Company; a part of the Ramat Qidron settlement erected by the Diur Company of Solel Boneh; and Givat Ze'ev erected by "Rosco" and "Yovel Gad." Here the problem almost does not exist, and the situation is like that of purchasing an apartment within the confines of the "Green Line."

But in everything connected with private construction, it seems that the buyers' dream of living in their own single home is a dream to be realized only in the distant future. First of all the developer must sell all the parcels of land; afterwards a lottery is held among the buyers to determine the location of each lot. Next comes the settlement development work, the financing of which is borne by the land purchaser without knowing in advance exactly what the final cost will be. Only then can private construction begin.

There have been cases in which the buyers were not prepared to pay the development cost asked for by the developer--and thus delayed the erection of

the entire settlement; in other cases the purchasers demanded to oversee the development costs themselves, creating an additional delay, the immediate impact of which was an increase in construction costs. In this kind of situation, the purchaser has often found himself without the financial capability to complete construction.

Potential purchasers have thus learned to expect that in many cases the purchase of an "undeveloped" piece of land is no guarantee that they will be able to build a house on it. Those who have already purchased tell their friends about the difficulties, and the outcome is a freeze in demand.

The government ministries are now assuring us that order will be created, and that the factors of time and haste will no longer play a role. The prevailing freeze in the territory will allow for a "house-cleaning" of the entire system, and the settlements that will be erected in the future will be "finalized" in all respects so that the buyer can be sure of his purchase.

However the government has lately completed a master program for settlement in Judea and Samaria for the years 1983-1986. The program provides for 100,000 Jewish residents in Judea and Samaria by 1986 with an annual growth rate of about 20 percent.

9794

CSO: 4423/170

BRIEFS

ELAT AIRPORT--The Transport Ministry will begin construction of the international airport at En Evrona north of Elat in another 2 years, that is, during fiscal year 1985-1986. This was reported by the Transport Minister Haim Corfu, to MK Mikhael Bar Zohar at the end of deliberations of a plenary session of the Knesset on the new Adomit Hotel at Elat which, according to experts from the Civil Aeronautics Administration might interfere with the landing to jet aircraft at the present field of Elat. MK Bar Zohar said that the closing down the airport at Elat can deal a death blow to tourism to the city and that an attempt must be made to find alternative solutions which would not harm the safety of the flights. In his opinion the solution should be sought in direct contacts between the Municipality of Elat and the Civil Aeronautics Administration. The proposed solutions are based upon encircling the hotel with a warning system of red, flickering or flashing lights and other markings which stand out to the eye even at night. During his address before the plenary session the Minister of Transport complained that the municipality of Elat did not present for approval by the Transport Ministry the plans for the hotel prior to its construction. According to the proposal of MK Bar Zohar and with the consent of the transport minister, the matter was carried over for discussion in committee. [Text] [Tel Aviv YEDI'OT AHARONOT in Hebrew 24 Jul 83 p 4] 8090

CONTAMINATION FROM JORDANIAN SEWAGE--The drinking water of Elat is in danger of contamination by Jordanian sewage. This is because the Jordanians are presently setting up an oxygenation project for sewage about 4 kilometers north of the port city of 'Aqabah, which is adjacent to Elat. Of late there appears to be increased development activity in 'Aqabah. The old city has been demolished and high-rise buildings and shopping centers are replacing its old clay structures. Military camps within the old city have also been moved out and in their place housing projects have been set up. About 1 kilometer north of the city the Jordanians are building a large modern housing development by the "Build-Your-Own-House" method and in it villas are being constructed. About 4 kilometers north of the seacoast, the Jordanians are constructing a large oxidation plant for purification of sewage. Construction is currently at its peak and with binoculars one can detect dozens of tractors and heavy machinery engaged in leveling the area. In Elat, the fear is that the sewage water from this project will seep to the water table of the wells in the Arava from which Elat draws part of its water. Israeli experts and aquatic engineers

conduct periodic test drillings to pinpoint this kind of pollution if indeed it should occur. [Text] [YEDI'OT AHARONOT in Hebrew 24 Jul 83 p 6] 8090

EXPORTS TO LEBANON DOWN--Israeli sources close to

Israeli-Lebanese commerce have expressed their concern regarding the significant drop which has occurred recently in the scope of Israeli exports to Lebanon still continue and there is a good prospect that it will continue in the future as well. Proper and wise administration of commerce with Lebanon--say these sources--would tend to restore the scope of the commerce with Lebanon to its scope during the high period of the months of June through October 1982 (\$20 million per half year). The problem in trade with Lebanon was caused by several factors including threats to Lebanese merchants and importers by extremist anti-Israel elements. These threats have intensified to the extent of striking out at merchants, as has occurred recently in Sur, Sidon and Nabatiya. In addition, the restrictions placed by the government of Lebanon and the threats of the Arab nations to cease their imports from Lebanon if the trade with Israel is not stopped contribute to a diminution of commerce with our northern neighbor. In addition, there is disagreement among the importers and merchants in Lebanon on the question of whether imports from Israel do not damage the livelihood of the local producers and marketers. Despite all this, Israeli sources estimate that even after the new deployment of the IDF to a new line in Lebanon commerce will continue between Israel and Lebanon not only in the spheres of the area remaining under IDF control, but also in the area that the IDF will abandon with no Israeli presence north of the new deployment line. [Text] [Tel Aviv MA'ARIV in Hebrew 19 Jul 83 p 10] 8090

UNEMPLOYMENT STATISTICS--A report by the Manpower Planning Authority in the Ministry of Labor and Welfare reveals that the number of unemployed in the economy during the first quarter of this year (the months of January through March) was 61,000 people. This is a drop of some 10,000 in the number of unemployed as compared with the parallel period one year ago. According to the report, which surveys the principal lines of development of manpower in the labor force during the first quarter of 1983, during this period there was also a specific drop in the extent of unemployment, the unemployed and those seeking work for an extended period. It would also appear from the report that the development of unemployment according to the date of the employment service also indicates a particular drop in the number seeking work during the first quarter of the year as against the last quarter of 1982. The average number of job seekers in the first quarter of the year was 34,300 as compared with 34,600 during the previous quarter, and the number of those seeking work for 7 or more days was 13,000 in the first quarter of the year as against 14.7 at the end of 1982. The number of unemployment certificates distributed by the employment service (adults and academicians) during the first quarter of the year reached a monthly average of 10,880 as compared with 11,600 during the last quarter of 1982 and with 12,070 during the first quarter of the past year. At the same time, the editors of the report stressed that according to preliminary and partial indicators it would appear that during the first quarter of this year the slowdown in economic activity in the market has continued. In the labor market, this was indicated by a drop in work placement. This drop, and the concomitant the rise of employment in services, are what prevented an increase in unemployment which would perforce have come about in light of the drop in economic activity. [Text] [Tel Aviv HA'ARETZ in Hebrew 24 Jul 83 p 2] 8090

QIRYAT ARBA' QUESTION --The Labor Party will shortly deal with the question of making Qiryat Arba' part of the security settlement of Israel which includes-- according to the party platform--the Jordan Valley, Gush Etzion, the environs of Jerusalem and the south of the Gaza Strip. Knesset Member Yossi Sarid alleged at the end of the week that Qiryat Arba' had never been included in the party's platform with regard to settlement security zones, not in error but rather as a principle denying Jewish settlement in the heart of a dense concentration of Arab population. Party Leader MK Shimon Peres announced that in the opinion of the Alignment city beside city is the appropriate manner of the solution of Jewish settlement in Hebron. Peres argued that if Qiryat Arba', which was established by decision of the Alignment government, is not included with the platform, this is an error which should be corrected. [Text] [Tel Aviv MA'ARIV in Hebrew 17 Jul 83 p 3] 8090

NEW IDF PARACHUTE--The IDF has completed development of a new personal parachute which allows users to fall to the ground much more softly. The parachute, nicknamed "Tzabar," decreases the rate of leg injuries caused by unsuccessful landings. Thus reports head supply officer Brig Gen Rami Dotan in an interview to the IDF weekly BAMAHANE, published in the most recent issue. As far as improving technical assistance for tanks, which were paralyzed by a shortage of oil, the General reports that an oil tank was recently added to every gasoline tanker so that these could be used for emergency aid, a lesson he said they learned from the last war. [Text] [Tel Aviv HA'ARETZ in Hebrew 21 Jul 83 p 2] 9811

TRADE DEFICIT INCREASE--Israel's trade deficit may increase this year by 35 percent and reach a record \$3.9 billion, if the current economic trends continue, economists from the consulting firm of Yurutim estimate. According to their estimates, imports may reach a peak of \$8.45 billion during 1983, while exports will decrease to \$4.55 billion, or 54 percent of imports. The forecast prepared by Yurutim's economists is based on three assumptions: The freeze on exports will continue; the price of raw materials will increase due to the economic recovery in the West; imports of basic goods will decrease due to increased control. An analysis of 1982 data revealed that the drop in Israeli exports was caused largely by the price decreases which accompanied the recession in the West. The volume of exports did not decrease, but the price did. Prices were also influenced by the continued strength of the dollar on which Israeli accounts are based. If both import and export prices had risen in 1982, at a rate similar to that of previous years (instead of falling as they did,) the trade deficit for 1982 would have been even higher: \$3.1 billion as opposed to \$2.9 billion. Thus, the lower international prices actually decreased Israel's trade deficit. Despite the lack of data on the current deficit, Yurutim does not expect a favorable turn in the future. As far as services and defense imports, the onus of interest payments on loans is becoming ever greater due to the fact that loans are increasing. There is no reason to assume that defense imports will decrease significantly in 1983. According to Yurutim managers Dr Manfred Gerstenfeld and Ilan Barzel, there is no rationale for large-scale development, as a basis for a new economic plan when the goal should be an improved balance of payments. Decreased exports does not mean decreased volume but rather lower prices, influenced by the vicissitudes of the market. [Text] [Tel Aviv HA'ARETZ in Hebrew 25 Jul 83 p 4] 9811

SPOKESWOMAN FOR FINANCE MINISTRY--The spokeswoman for the Ministry of Health for the past 9 years, Dvora Ganani, will soon be appointed spokeswoman for the Ministry of the Finance as well as communications advisor to Yoram Aridor. The HA'ARETZ editor was informed that close associates of Aridor in the Herut Party advised him to improve his public relations which have been poor till now. They think that Ganani, who has accumulated a great deal of experience in spokesmanship and in public relations, can improve the image of the finance minister in communications and with the public. It should be noted that before her appointment as spokeswoman for the Ministry of Health, Ganani served as spokeswoman for the hotel chain of Hayim Schiff, who was close to the Herut leadership. The appointment of Ganani was made possible after Aridor's personal spokesman, Beni Friedman, decided to leave his post and transfer to a senior position in the treasury. Ministry spokesman and assistant director-general, David Bar-Hayim, has wanted for quite a while to disengage himself from the job of spokesman in order to concentrate on other matters. The HA'ARETZ editor points out that Ganani's appointment was held up because of the doctors' strike during which she presented more than once the positions of Minister Eli'ezer Shostak in opposition to those held by Minister Aridor. [Text] [Tel Aviv HA'ARETZ in Hebrew 1 Jul 83 p 2] 9348

CRIME STATISTICS--The incidence of rape in Israel has climbed 40 percent in the last six months, as has arson and property-damage crimes. Murder is down, and so is theft. General acts of crime were 10.4 percent more frequent between January and June this year than last year, all according to the latest statistics reports by the Israeli police. It was a big six months for arsonists--up 24 percent from last year. Property-related incidents, which account for 80 percent of police activities, were up 12 percent. In all 94,000 new police files were opened. Extortion rose only two percent. Murder was down eight percent, with 36 murders reported between January and June. Armed robbery was down 19 percent, robbery 20 percent and indecent acts by force down 13 percent. On the drug scene, 11.5 percent fewer cases were reported by police. Most crimes took place in the Gush Dan-Tel Aviv area (a growth of 25 percent), while the northern district reported only a 12 percent increase. The central district was the winner, with two percent less crime. In the southern district there was no change. [Text] [Tel Aviv NEWSVIEW in English No 30, 2 Aug 83 p 33]

CSO: 4400/480

MINISTER OF INDUSTRY ANNOUNCES NEW INDUSTRIAL POLICY

Amman AL-DUSTUR in Arabic 28 Jul 83 p 8

[Article by Ziyad Farhan: "Resolution and Recommendations of the Industry Study Group Convened under the Chairmanship of the Prime Minister. An Industries Act will be Brought Before the Cabinet in the Next Two Months for its Approval"]

[Text] Mr Walid 'Asfur, minister of trade and industry, announced yesterday a number of measures that the government will take with the aim of supporting the nation's economy and solving the problems which confront industry. These measures are a group of resolutions and recommendations that were made by the joint working session held at the end of last April, under the chairmanship of Mr Mudar Badran, the prime minister, with participation by all of the concerned parties in both the public and private sectors.

Press Conference

These measures which the minister of trade and industry announced at a press conference he held yesterday afternoon at the Ministry of Trade and Industry in the presence of the undersecretary, the deputy and department chiefs in the ministry, pertain to the Industries Act, to customs duties, incentives for national manufactures, domestic marketing, price controls, exporting, the environment, and providing lands for industry, and loans for industry.

The Industries Act

In the course of Mr 'Asfur's talk about the Industries Act it came out that, in view of the fact that the issuance of a law for industries was considered amongst the basic administrative needs for this sector, the ministry of trade and industry has begun to prepare the Industries Act program. It is expected that the program of the law will be referred to the prime minister's office during the next two months in preparation for its examination and its approval in principle, upon which time the law will be enacted out of concern for the well-being of the industrial sector and the citizens' investments. Then the ministry will issue a set of directives which will act in accordance with the law. Some of these directives include the right of the ministry to refuse to license any industry which does not demonstrate economic benefits whether because of technical or economic difficulties or because of the

existence of comparable industries whose product exceeds local market needs or exceeds export opportunities abroad. It has been confirmed that these directives are subject to clear regulations and are flexible enough to allow for review whenever the need for that arises. Likewise they will give citizens disagreeing with what the ministry has recommended in this regard the right to appeal to the prime minister's office.

Customs Duties

Out of the government's desire to promote and support local industry and to remove obstacles to production the Prime Minister requested the ministry of Trade and Industry to prepare a detailed list of supported economic industries and their raw materials with the aim of studying customs duties required on these materials, imported ready-made products, and comparable things. That is in preparation for their inspection which will keep the interests of the producer and consumer alike in mind.

Promoting national manufactures

At the same time when the Prime Minister was affirming the need for Jordanian citizens to bear the complete responsibility and national commitment to support national manufactures through promoting them, accepting them, and having pride in them by not preferring them to foreign manufactures so all of us can share in supporting our industry's self-sufficiency, he issued his instructions to the military and civilian consumers' associations about the need to buy local production which is abundant in acceptable quality levels and often offers clear superiority over comparable foreign products. Likewise the Prime Minister requested the Ministries of Finance, Supplies and Public Works to take legal steps to alter the administration of supplies and tenders in a manner that will give an advantage to local manufactures if they conform to specifications and are competitively and suitably priced.

Internal marketing and price-setting

In affirmation of directives of his majesty King al-Husayn on the need to attach sufficient importance to protecting the Jordanian consumer and facilitating the expenses of wholesale goods for him, the Prime Minister reaffirmed the need to continue relying on the policy of price setting currently followed. This is supervised by the Ministry of Supplies but he requested the Ministry of Supply at the same time to start in-depth studies taking all elements of the cost of production into consideration that could be a factor that changes costs through time. This would aim at achieving an adequate and fair profit for the producer and the principle of fairness in decisions and measures. The directives of the Prime Minister reaffirmed the producer's right to object to the price-setting and to bring his objection to the cabinet for review.

In the event of industrial violations the Prime Minister requested the concerned authorities to address a written warning to the violators, and to send copies of this warning to the Amman Chamber of Industry so it can cooperate with the concerned authorities in correcting the situation when the violation

has occurred for the first time. As for repeated violations the designated courts will investigate the matter after the Ministry of Supply has studied the violations and their details and determined their causes.

Exporting

When foreign markets were opened to exports of Jordanian products one of the decisive factors that promoted and supported national industry was that the Prime Minister showed special concern for a study of the markets in neighboring Arab countries and foreign markets. He ordered the formation of a Jordanian delegation comprised of both the public and private sectors led by the minister of trade and industry to visit a number of Arab and foreign countries to strengthen trade relations with them and to open their markets to Jordanian goods. They signed bilateral trade agreements which will help give preference to Jordanian industry and lower the customs duties placed on it, and settle all of those matters that are activated by the movement of Jordanian products exported to these markets.

With regard to the important role which commercial centers play in marketing Jordanian products and with the government's endeavor to encourage manufacturers to deal with these centers, it has decided that the Ministry of Trade and Industry will undertake a reduction of the brokerage costs that these centers normally levy on Jordanian products for their marketing services from 7 to 4 percent.

In view of the fact that raw materials and semi-manufactured goods are appraised for temporary customs duties, this program in truth aims to promote manufacturing for export so the Prime Minister has requested the Ministry of Finance and customs to review the procedure for assigning temporary customs duties so as to facilitate and simplify procedures as much as possible to save time and effort to encourage manufacturers, and save production costs, a matter which will have clear and positive returns for the movement of Jordanian industrial exports.

The Environment

Out of the government's concern to keep the environment clean and free of pollution or harm and at the same time realizing the objective truth that all industrial operations cause some kind of pollution, the Prime Minister affirmed the need to arrive at some kind of proper balance in this difficult equation so that there will not be any excesses that get out of hand in environmental issues which would serve to hinder or suppress industry. At the same time there should not be any laxness over dangerous and primary pollutants to the environment whether the pollution is short-term, mid-term, or long-term.

Providing land for Industry

In this area the Prime Minister requested from the Ministry of Municipal, Rural and Environmental Affairs the need to prepare special studies about land

use. This is in order to provide the lands necessary for industry, in conformity with scientific, economic, and studied environmental bases, including the country's interest on the one hand, and the ease of setting up industry on the other. Likewise he asked the Association of Industrial Parks to prepare and furnish industrial parks and to provide them for industry under reasonable conditions.

Industrial loans

Regarding the financing of industrial projects that are considered the cornerstone of building a firm and complete industrial superstructure, the Prime Minister pointed out the need and importance of providing industrial loans, with moderate interest charges that would neither impede nor restrain industry from progress or expansion. As for the role which the Industrial Development Bank has played in this matter it has been decided to reduce interest rates which the bank charges on loans for raw materials to 9 percent starting from last June. This will be in cooperation with the Central Bank.

The Prime Minister added that this activity and concern which the government has shown at different levels for the problems of industry and its desire to share with industrialists and the chamber of commerce and industry in discussions and points of view is a part of the government's policy and clear goals for achieving and carrying out economic and social development programs, especially in the industrial sector. This is with the aim of bringing about fundamental changes in the national economic structure to develop self-sufficiency, to stimulate commodity goods production, and to enable local industry to take an effective leadership role in the course of Jordanian development, which is supervised and directed by His Majesty King al-Husayn. The government does not hesitate to give every possible facilitation, responding to all the difficulties confronting industry, from foundation to manufacturing and marketing.

Investments in the Industrial Sector

The minister of trade and industry announced that investment in the industrial sector is progressing very well when compared with what was planned for it in the 5-year plan as the amount of investment exceeded 100 million dinars in the first 3 years while what was projected for the entire 5 years was 90 million.

Economic Relations with Egypt

In response to a question on the nature of Jordanian economic relations with Egypt, the minister explained that this relationship has come about in implementation of the decisions of the Arab summit conference, including dealing with Egypt within the conditions of the boycott, that is, no trading with Egyptian companies that deal with Israel.

Companies which do not deal with Israel were encouraged by a visit by a Jordanian economic delegation headed by the undersecretary of the Minister of Trade and Industry which was made a few months ago.

Prices and Quality of Jordanian Cigarettes

In response to a question on the rise in price of Jordanian cigarettes, and their quality, Mr 'Asfur said that Jordanian cigarette manufacture is considered of a superior quality since the ministry directly oversees the manufacture of cigarettes and is involved in the production processes to ensure their quality.

As for the increase of prices the minister explained that the increase lately applied was partly meant to support a fund for tobacco growers and partly for the state treasury, with a portion going to the firm.

Economic Relations with Iraq

The minister for trade and industry praised Jordanian-Iraqi relations in all its aspects, and especially their economic relations. He said that an agreement had recently been reached for the founding of a Jordanian-Iraqi company for Jordanian manufactures. He expressed his hope that circumstances in the short run would permit this company to come into being.

He pointed out that an Iraqi economic delegation visited Jordan recently and it made a contract to buy Jordanian goods and products valued at \$17 million.

The Sites of Industrial Plants

In response to a question on the sites of Jordan's industrial plants and their concentration around Amman the minister said that the government has tried to encourage the building of plants outside the Amman area by giving a special subsidy to bring this goal about.

He cited the new investments promotion act which gives great advantages to plants built outside of Amman.

9587

CSO: 4494/565

IMPACT OF ECONOMIC STAGNATION DISCUSSED

Paris AL-MUSTAQBAL in Arabic No 335, 23 Jul 83 pp 41-42

[Article: "Crisis Of Stagnation Increasingly Grave: The Solution is Austerity Or Social State of Emergency."]

[Text] The first part of this month the TMI Company warned 404 of its employees of dismissal. In effect this has exposed the convolutions of the economic crisis that Lebanon is experiencing, and consequently has shed light on the stagnation and shrinkage complained about several months ago.

The minister of labor and social affairs, Dr 'Adnan Muruwah, was not in error when he noted the outcry raised against the dismissals at TMI but at the same time found it strange that dozens of dismissals that have taken place and are taking place here and there have been ignored.

The comments of Minister Muruwah are appropriate because the developing economic reporting in Lebanon still stems from the economy of the capital and disregards the outlying areas, and still hesitates when the issues have direct influence, and when someone is behind them who does not have the necessary objectivity concerning the other issues that have no one to bring them to light.

In any case Minister Muruwah's statement called attention to the fact that the dismissal has become a visible symptom in the various organizations and sectors and that the Ministry of Labor receives, daily, dozens of requests for employments that, for the most part, do not end in a compromise that expresses the policy of the Ministry at this juncture for gaining time and limiting damage to the narrowest range possible in expectation of obtaining relief, that is, the disappearance of the causes behind the economic shrinkage.

Aside from the subject of the dismissal in the TMI Company, there are several similar cases which cannot be listed at this time, but the most prominent features of these cases can merely be highlighted.

1. The more than 100 plants in the industrial area of Shuwayfat, adjacent to Beirut, which was the site of unrest several months ago, are at a standstill. They alternate between complete work stoppage and an average of 50-percent reduced output. Most of these plants made agreements with their workers which provided for temporary solutions applying to disruption at any moment. From

direct contacts with most of these plants the situation can be pictured as follows:

a. All plants of the area, those shut down and those not, have been operating for several years at partial capacity, varying between 30 and 60 percent. For a long time there has not been a single plant working around the clock (24 hours), which was the case for most of the plants before 1974.

b. Dozens of the plants are shut down now for either security or economic reasons. For example, the following plants can be mentioned: The Lebanese Marble Company (LMCO), The Ajitex Clothing factory, the new tricot Company, Al-Baradi factory owned by Salib al Kasam, a plastics factory, the Tayid plant...and so on.

c. Most of the plants that are shut down have made agreements with their workers requiring payment of half salary and delaying annual vacations.

d. Most of the plants in operation are reaching agreement with the workers whereby production, in effect, is lowered by 1 or 2 days from the basic 6 days, and salaries are accordingly reduced between 25 and 50 percent.

e. The phenomenon of interruption is not confined to a specific sector in industry; the affected area is a mixture of plants that produce clothing, dyes, fibers and foodstuffs, as well as the building trades and packaging.

2. The area of the al-Na'imah industrial quarter adjacent to the community of al-Damur suffered direct damage during the Israeli occupation, and to this day is suffering from the problems common to industry plus special problems connected with the lack of basic services in the area, such as roads, electricity and telephone and radio communication; and so production in these plants has all but vanished, reduced by 90 percent, or 80 percent under ideal conditions.

3. Shifting to the north, the crisis appears more complex, especially since it extends into the building materials industries, which have for some time been considered as still enjoying a more privileged status than other sectors.

And in the north the management of the "Eternit" Company, which is considered among the best plants in the Middle East, has given notice to its more than 300 workers. Note that this plant has been suffering a strangling crisis for some time as a result of the breakdown of export operations and of several robberies. This plant is now limiting its production to quantities equal to the current demand, without stockpiling as in the past, for fear of bombardment or robbery, both of which have occurred in the past. More than once it was rumored that this plant was up for sale and negotiations were held, but nothing came of them.

The White Cement Lime and Gypsum plant, like the Eternit plant, is facing a crisis whereby production is insufficient to pay the workers' salaries. The owners of these plants are experiencing a period in the market where prices do not appear to be competitive.

Also the National Cement Company is offered for sale, or there are talks in progress on this matter.

Along with these examples, which are not exhaustive, we must mention the closing of a number of large plants, such as Chandur Lumber Mill, a chemical commodities plant, oil installations in the north, the 'Asili spinning plant, and the Jabr spinning and weaving plant, in addition to the dozens of plants closed in the north, the suburbs, the south, and al-Biqā'.

What is arresting in these developments is that the stagnation is now actually being translated into worker layoffs, and this serves as a warning of the nightmare of social crisis, which, if it breaks out, will have a negative effect at all levels, including that of security.

A northern industrialist said that this thing started in the North, where, because of purely social factors and because of the hunger that began to knock on the doors of thousands of families, there were daylight robberies.

But despite everything that has happened, is happening and is expected to happen, it appears that official concern about the matter is not at the level required, perhaps because of inability or negligence, or perhaps because the concern is for politics and security.

Whatever the reasons, the result is the same, since obviously the degree of official concern for the problem of inactivity has begun to decrease more and more. The only meeting to which the minister of finance was called took place about a month ago and no perceptible progress resulted.

Despite the admission that the key to solving the problem of economic stagnation is to be found in solving the political problem, officials must not refrain from searching for solutions, even though temporary, and must not be prevented from proclaiming a state of social emergency in order to at least stop the decline regarding the layoff actions, the evidence of which is apparent in every sector.

Perhaps the needed temporary solutions will be difficult, but they are not impossible. However it is necessary to act promptly with legislation having the stamp of emergency.

Any delay increases the gravity of the problem and makes a solution more difficult. But perhaps the state will give priority to critical situations such as the current one concerning the TMI Company. It appears to be within the state's power to respond favorably to the company's request for a favorable loan.

And if this loan is granted, then certainly this will open the door to hundreds of requests, but if it is refused, then certainly this will create a crisis in the vital field of air transportation. If the loan is granted with preconditions, which is likely, then this will also be claimed in all fields. Hence the role of the state should be one of drawing up emergency legislation based on mutual understanding and in agreement with the owners of the business.

The best interests of the nation, which amounts to halting the economic and social collapse, warrants many steps that may not be acceptable or likely under normal circumstances.

No matter what has been said about the general conditions that complicate the economic picture, official action must be taken on more than one level at the same time.

The fact is that political activity has temporarily paralleled the economic situation. So, about two weeks ago, when the minister of foreign and expatriates affairs, Dr Eli Salim, summoned the Economic Advisory Council he asked it for a detailed report on the standstill and its relation to the occupation. He also asked for a report on the extent of damage, the indicators of stagnation and a projection of the situation if the political picture continues as is.

The close associates of Minister Salim have disclosed that the Lebanese Chief of Protocol, while accompanying President al-Jumayyil on his current visit to Washington, intends to submit the economic file to the Reagan Administration as a means to press for concentration of American activity to hasten the end of the occupation.

Circles close to Minister Salim have indicated that disclosure of the efforts of the Lebanese private sector to the American public may have a positive effect in view of the West's interest in the private sector and its sanctity.

But is that enough to raise the degree of American resolve?

And does the closing of a plant in Beirut actually arouse the American public as does the dismissal of 20 workers from an American plant?

Does the United States actually care about the economies of other nations and is it endeavoring to increase the income of the individual wherever he may be?

Is its aid the the Third World equivalent to its GNP?

Is its concern for the poverty and need in the world as great as its concern over the consequence of the increase in nuclear weapons or in experiments in the realm of attack from outer space?

These questions may not fall into the context of looking into the Lebanese economic crisis, but merely bringing them up may return the ball to the Lebanese court and the country may start up its administrative, legislative, and financial, and even media machinery to deal with the situation and the assistance because the precise moment is passing.

The attention of the world will be focused, not by words but by deeds, such as the country's proclaiming, beginning at the highest authority, an actual "austerity" condition to stop the decline and to control spending toward productive objectives and put a stop to the decline that is getting worse in every area. The category of "austerity" would include a number of concepts which cannot be brought up at this time for several reasons. But it is feared that the day is coming in which it will be necessary to bring them up, especially in the press.

SHI'ITE LEADERS SAID TO SUPPORT CENTRAL GOVERNMENT

Paris AL-NAHAR AL-'ARABI WA AL-DUWALI in Arabic No 325, 25, 31 Jul 83 p 16

[Text] Political authorities that took part in the efforts to calm the situation following the bloody incidents that erupted during the latter part of last week between the army and the "Amal" movement said that the senior officials and the leaders of the Shi'ite sect had expressed their readiness to cooperate in finding a solution to the problem that prompted the incidents. In the mean time, before talking about a final agreement, it is best said that all want to reach an agreement.

These authorities said that, among the actual causes for the incidents between the army and the armed "Amal", there are aspects which are difficult to comprehend. At present the Shi'ite leaders have found that there is no benefit in going into details after it has been confirmed to them that the senior officials do not intend to make the refugees leave Wadi Abu Jamil. The statements of the Shi'ite leaders affirm this fact and indicate their sincere desire to cooperate with President Amin al-Jumayyil.

The official information is that it is unlikely that the situation will deteriorate in the next few weeks. Shi'ite leaders are making efforts to persuade the "Amal" command to temper its opposition and return to the positive course it had taken before Syrian opposition was raised to the agreement on withdrawal of the Israeli forces from Lebanon. These leaders expect that Nabih Birri will cooperate in their efforts.

The authorities said that the Shi'ite leaders who are endeavoring to calm the situation are proceeding from their conviction that the Shi'ites more than any other sect, are obliged to cooperate with President Amin al-Jumayyil and support him in overcoming difficulties. This cooperation must stem from fundamental rather than political considerations. If the offices concerned made an error in the method used to deal with the "Alliance" issue or its results, specifically at the official information level, this does not warrant a crisis to distort the desire of the Shi'ites to cooperate with the government. The official reports mentioned a legal decree that the security forces have been tasked with carrying out. But it has been established that the problem has remained within the framework of a decision made by the office of the public prosecutor, which was not adhered to. The disparity between the facts and the reports does not warrant going beyond the framework of the substantive discussion and the desire for cooperation.

At another level some friends have conveyed information to the effect that Prime Minister Shafiq al-Wazzan has expressed surprise at the procedures followed by certain political groups in ignoring a legal measure, which the security forces tried to carry out, to continue, or bring up, a case that is out of consideration, at the expense of one of the officials, which is the case of the refugees. Al-Wazzan, according to friends, said that it did not occur to him or to any other official that he should leave the Alliance studies to present the case of the refugees at Wadi Abu Jamil or at any other place. Pursuant to this the prime minister was dismayed when political groups hastened to talk about the case of the refugees and to tie it to the legal measure which the security forces attempted to carry out in one of the quarters of the capital. One of the main reasons for the prime minister's dismay is the fact that these groups know the truth about his position on the matter of the refugees and about his desire to discuss this matter from the standpoint of its being one of the domestic issues that the government faces.

Friends said that Prime Minister Wazzan, following the bloody incidents, took the initiative in contacting several of the Shi'ite leaders and exchanging information with them about the actual causes and the developments. The viewpoint was one of agreement between the prime minister and the leaders of the sect.

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CSO: 4404/539

PLO-SYRIAN RELATIONS DISCUSSED IN PAN-ARAB, NATIONALIST TERMS

Nicosia FALASTIN AL-THAWRAH in Arabic No 464, 2 Jul 83 pp 26, 27

[Article by Hasan al-Batal: "What Seems To Be a Crack in a Relationship"]

[Text] In addition to exhaustive or hurried analyses, numerous descriptions have been made of the violent disintegration which has occurred in relations between the Damascus government and the Palestine Liberation Organization.

The echoes of this disintegration will be powerful. There will be no need to amplify them. What has happened--even with the kind of intelligent analysis which is still needed and which the PLO's leaders have been unstinting in supplying--has been a real shock. It is a shock which has been felt all the more intensely because of the disintegration's timing, as well as the Syrians' style. Being usually men of little reflection, they did not hesitate to open fire actually or politically.

If we want to be precise in political terms, then we will have to say that a persistent blockage has been exploded. Consequently, we are facing a great and serious crisis in Palestinian--Syrian relations. It is almost classically stupid to ask in whose interest these things are occurring. The Israelis and Americans are not cautious in their replies.

Harsh accusations have been exchanged. The Syrians have accused the PLO of deviation. In the face of this astounding, even fantastic charge, Yasir 'Arafat has been forced - but with what agonizing pain - to say: "We have been stabbed in the back again." Unluckily for our Syrian brothers, their general political credibility has been eroded, at the very least. At the same time, the PLO has been reasonably successful in giving its policy credibility. For when a PLO leader who is the undisputed head of his people announces that he has received "another disappointment from the Arabs," most people will not believe the statements made by the vile Syrian political establishment. What has happened is really "something which can barely be believed," as a Palestinian personality separated from his homeland has put it in describing the humiliating expulsion suffered by the head of the PLO.

Beyond the erosion of Syria's credibility, there is the failure, the size of which was not expected, of a truly principled Syrian policy which is both necessary and approved of by Syrian, Palestinian, Arab

and, indeed, world opinion. We mean the slogan which runs: "Protect the Palestinian resistance and preserve the Arab character and independence of Lebanon."

This is sad talk. The sadness of Abu 'Ammar in the face of what happened in the summer of last year in Beirut drove him to turn his back on his Syrian ally and to face the broad sea. The least which can be said in explaining that is what the PLO's Syrian strategic allies preferred to work according to their own accounts, although they had 6 years to put in order accounts which do not differ from those of their Palestinian comrades in arms. Why, once again, was Israel's relationship with its strategic ally across the ocean stronger than Palestine's relationship with its natural Arab surroundings?

Two Extremes

While the pan-Arab doctrine, whose banner the Ba'thists hold aloft with praiseworthy insistence, though without much skill, seems a lost cause, Palestinian nationalism, which is nourished by pan-Arabism's frustration and Israeli oppression on the one hand, and by a legitimate yearning of unbounded obstinacy on the other, is at least reinforcing its spiritual positions, though it seems to be losing its last military positions. Thus, a situation has arisen which is the primary cause of the friction and contains a certain dissimilarity. For the Syrians, with their sincere pan-Arab slogans, seem to be practicing a harshly nationalistic policy rather forcefully, while the Palestinians, with their nationalistic slogans, are having more success in their pan-Arab policy and believe to a greater degree that they are serving the higher interests of their Arab fatherland.

It is quite true that both parties are surrounded. Syria, which was long known as the "beating heart of Arabism" and still is so known, seems to have been surrounded on three and a half sides. As for the Palestinian revolution, which has known various types of encirclement almost constantly, it has been surrounded and has tried, without much success, it seems, to make of the revolutionary dispersal it was forced into after the famous battle of Beirut a kind of expansion. Moreover, it has practiced an extremely effective political dynamism which is simultaneously fraught with peril, in order to prevent the imposition on it of a political kind of encirclement which would complement the military variety.

Syria, our encircled sister, is trying to impose a kind of encirclement on the PLO, and this fact contains another contrast. If we continue to compile these contrasts, we will reap a rich harvest. However, this will not help us to analyze what happened. It will merely wring out both spirit and heart.

There are two extremes in the exchange of accusations: the extreme of pan-Arab hegemony which Syria leans toward, and whose original tendencies are not completely without justification, and that of independence, which nourishes the PLO. However, there is strong agreement between these two sides.

Both Syria and the PLO, each in its own way, have refused and will refuse to recognize the Sykes-Picot Treaty, which divided the territory of Greater Syria (natural Syria) into four statelets. At a previous time, really not at all rare, of Syrian - Palestinian concord, President Hafiz al-Asad, the most powerful leader to rule his country since independence, said that Palestine is southern Syria. The leader of the strongest contemporary nationalist revolution replied that: "Syria is northern Palestine."

As long as things are like this, why did what has happened and is still happening occur at all?

It is useless to speak about another contradiction between the logic of the "state" and the logic of the "revolution." Those opposed to Syria have used the former and those who are opposed to Palestine the latter. They have done this to such a degree to justify their provincial and hostile positions that they have worn it out. Perhaps it would have been better to explain things using realistic examples. Such examples abound. One could start by admitting that the Palestinian - Syrian relationship is an integral one which is vital in the extreme for both sides. But when Damascus proceeds to act on the basis of its belief that it cares more about the Palestinian struggle than Fatah does, and when it evinces excessive fear of the dangers resulting from the intense dynamism which characterizes the tactics of Abu 'Ammar and the PLO leadership, then Palestinian fears of "hegemony" will be raised. When Damascus acts on the basis of the belief that the Lebanese question concerns it more than anyone else, it may be right. However, it is incorrect to say that the question of Palestine concerns Syria more than it does Yasir 'Arafat, the Fatah movement and the PLO.

Fatah has made a special effort to reform its relationship with the two Ba'thi regimes, since it sincerely believed that this would serve the "pan-Arab quality of the battle." This was done even though the PLO suffered from the involvement of the Baghdad government, which even went so far as to liquidate PLO cadres physically. The PLO also suffered great harm in Lebanon from the reflected conflicts of Iraq and Syria, and of Iraq and Iran.

At one time, the Syrians thought it was useful, from a pan-Arab perspective, for them to coordinate their policy positions with the royal government in 'Amman. Right afterwards, they found it was expedient to do the opposite. The Palestinians recall that the leadership of the Syrian army decided, on the basis of its own strategic calculations, to withdraw along the coast from Sidon to Beirut. In all these cases, Syrian policy was that of a sovereign, independent state which has made calculations which it figures will serve the pan-Arab line of Syrian policy.

Strategic Balance and Coordination

Even before the results produced by the Israeli invasion of Lebanon, indications had appeared that the strategic balance was tilted against the Arabs. This imbalance has been mostly military. However, since the Camp David treaty, it has come to be something of a political strategic imbalance as well.

The Syrians realized that early on and so directed great energies as a nation to limiting this imbalance. They worked tirelessly to redress it militarily. The Syrians excuse themselves by saying that the invasion overtook them before they could reach this hoped-for goal of theirs. However, though they paid a high price, it was possible for them to defend themselves better than before.

The PLO realized this for its part as well. However, as a revolutionary movement, it had to follow a policy of taking the initiative. The organization did not announce at all that it was withdrawing to regroup its forces. Moreover, the enemy has not and will not allow it to do so. This is what the PLO tried to do, while being constantly engaged and subjected to raids and bombing, with convulsions all around.

The analysis by both the Syrians and the Palestinians of the causes of the imbalance led them to try to achieve a degree of needed strategic coordination. This was done with the knowledge that the steadfastness and rise of the PLO were working against the dominant strategic imbalance. The proof of this is that the military, political and diplomatic strength of the PLO had increased steadily, despite the fact that the strategic imbalance was growing worse militarily and politically.

The PLO knows that it is an addition to the armaments of the Palestinian position and to the rallying of the people around the demand for national independence. Any weapon called "the weapon of choices" cannot possibly be ignored. Our entire struggle is a strategic battle. However, we must always be aware, when we proclaim "the weapon of choices," that it is sometimes no less than the weapon of "the strategic balance" which has been hoped for in the last few years. The two sides turned to a close examination of means, hoping to arrive at a mode of coordination which would not lead to the Palestinians adopting Syria's policy in its entirety and which would not limit the freedom of the Palestinian political movement. For the Palestinians' independent decision-making power--as we have already said, and ignoring the way the Syrians have exaggerated their concern about the slogan "No tutelage, no containment, no subordination"--works against the strategic imbalance.

The Palestinians were happy to see that discussions which seemed serious were conducted officially by delegations from Fatah and the Ba'th party. The discussions were deep, but the Syrians insisted that we adopt their position on everything, including, for example, their position on the Iran-Iraq war, which rages on uselessly. At that point, the chairman of the PLO executive committee stopped publication of this statement by the official Palestinian news agency. The Syrian agency took over the distribution of the statement as it saw fit.

To sum things up, our Syrian brothers, who are frustrated by the failure of their pan-Arab policy, did not comprehend that the Palestinians' independent decision-making ability is a political factor of enormous

importance for the interests of everyone except the Israeli enemy and its ally the United States. They demanded that we embrace their use of open political channels to Washington and the oil states, but they evinced very little trust in the ability of the PLO to administer its policy in a sophisticated fashion.

It is illogical for the Syrians to make excessive accusations against a successful Palestinian policy by saying it is remiss both in pan-Arab terms and in nationalist terms. The PLO's policy has been more successful perhaps than that of any other contemporary, nationalist revolution. This fact, along with the adroit "policy of choices," did not make the Palestinian revolution another betrayed revolution, like the revolutions of the Polisario, Chad, Eritrea, Oman, the Gulf and the Kurds. Since the PLO has this notable international reputation, others must see the facts they disdain to admit. Their attempts to swallow the PLO make it more likely that an unsuitable solution will be imposed on the West Bank and in Gaza.

Rectify the Relationship, Not the PLO

The step of expelling the symbol of the revolution and the leader of the people from the Syrian capital was taken rudely. The unexpected became a fact. The grievously wounded Palestinians were wounded again. Some from among the ranks of our people were filled with rage. Some Syrian officials exaggerated, saying he had accepted this or that. Without a phoney reconciliation, there is a fact which cannot be overlooked: the Syrian-Palestinian rift is not final. Disputes among brothers are always bitter and unreasonable in their violence.

However, despite all the evidence which sternly indicates a relationship of "no return," it is still possible to repair the bilateral relationship, because there is no escape from so doing. Abu 'Ammar realizes this most of all, while some of those calling for an end to the enmity, even among the leadership of the "radical" factions, applauded the notion of a clash with the Syrian army to the end in 1976. Abu 'Ammar was the one who stopped this tendency, knowing full well that a new Syrian-Palestinian detente cannot last without undergoing difficulties in its turn. Let us be realistic, both as Syrians and as Palestinians. Syria's fears are basically legitimate, but those of the Palestinians are more so. It will be possible to rebuild mutual trust if the two sides find that their rejection on the basis of principle of the Sykes-Picot treaty and of all situations arising from it does not conflict with the great Syrian partner respecting the right of the Palestinian people to make their decisions independently.

The new beginning consists of the Syrians realizing that there is no substitute for a strong PLO with an independent will, while the Palestinians realize that Syria is the last of the pan-Arab positions, despite what has happened and what will happen. Politics is nothing but new beginnings.

SELF-SUFFICIENCY IN WHEAT EXPECTED IN 1984

Paris AN-NAHAR ARAB REPORT & MEMO in English No 32, 8 Aug 83 p 7

[Text]

Saudi Arabia expects to grow enough wheat to meet domestic consumption in 1984, Commerce Minister Suleiman Abdulaziz al-Salim declared last week. Mr Salim, who is also Chairman of Saudi Arabia's state-run Grain Silos and Flour Mill Corporation, estimated production of wheat at 600,000 tons for the current year. Consumption stands at about 800,000 tons a year and the Kingdom imports the rest, mainly from the US.

Saudi Arabia may even become an exporter of wheat, according to a recent statement by King Fahd, who noted that production had risen from 5,000 tons a year to its present level in only five years. "This would refute claims that the Kingdom is not an agricultural country," King Fahd declared. Neither he nor Mr Salim revealed, however, the cost of growing grain in Saudi Arabia, which sources quoted by *Reuters* last week put at about five times the world market price. The sources said the current cost of imported wheat was about \$135 a tonne fob delivered to Gulf ports. The sources noted that Saudi Arabia was growing hard winter wheat for bread and that even when self-sufficiency is attained the Kingdom would probably still require imports of specialty flour for cakes and biscuits which are made from softer wheat flour.

Saudi Arabia has allocated \$18 billion for agriculture and the water required for farming in its 1980-85 development plan. Developing Saudi Arabia's farms has become a question of national pride as well as a strategic goal; the government has been willing to bear the high costs in order to prevent the possibility, however remote, of a food embargo by its traditional suppliers. An American offer recently of guaranteed supplies of grain did not go down well in Saudi Arabia.

The drive to develop agriculture was also underlined last week by the Ministry of Agriculture and Water Resources, which announced seven new projects with an

estimated cost of \$11 million. Two of the proposed farms in the Qassim Region, are intended to grow wheat, hay and animal fodder. The other five farms will raise poultry and sheep. One poultry project in the Al-Kharj district is designed to produce 18 million eggs a year and another farm is to raise 1.8 million broiler chickens. One of the sheep farms, also in Al-Kharj, is to raise 18,000 head a year while another farm planned for the Eastern Region of the Kingdom is intended to fatten 24,000 head a year.

LOANS TO BE GRANTED TO REFINING, PETROCHEMICAL VENTURES

Paris AN-NAHAR ARAB REPORT & MEMO in English No 32, 8 Aug 83 pp 11-12

[Text] Saudi Arabia is to grant soft loans to six joint ventures between state-owned companies and foreign firms, the Finance and National Economy Minister announced in Riyadh last week. The loans, worth a total of SR 485.9 million (\$140 million), will be extended by the Public Investment Fund at interest rates of between 3 and 6 per cent a year.

The loans will go to two refineries being constructed by the government-owned General Petroleum and Mineral Organisation (Petromin) with foreign oil companies, and to four petrochemical projects being built by affiliates of the Saudi Arabian Basic Industries Corp (SABIC). One of the refineries is at Yanbu and is being built by Petromin and Mobil; a second refinery at Jubail is being built by Petromin and Shell. The SABIC subsidiaries are the Saudi Petrochemical Company, the Saudi-Yanbu Petrochemical Company, the Al-Jubail Petrochemical Company and the National Methanol Company.

In its statement, the Finance Ministry said the loans were components in a financing package and would provide 60 per cent of the capital needed for the projects. Each joint venture would raise 30 per cent, with the rest coming from commercial banks.

The Public Investment Fund has lending commitments to Petromin totalling about SR 30.9 billion (\$8.96 billion) for six refineries and a pipeline, and others to SABIC worth some SR 31 billion (\$8.99 billion) for 10 petrochemical projects.

CSO: 4400/494

PROBLEMS AT DOCKYARDS COMPANY REPORTED

Aden 14 UKTUBAR in Arabic 17 Jul 83 p 3

[Article by Najah 'Ali Yahya: "Work In the Floating Dock Will Drop to 30 Percent, Due to Bad Planning!"]

[Text] The history of the dockyards goes back to the first half of the 20th century, when one of the maritime firms in 1920 undertook minor repairs to ships.

Because of the port's reputation and the increase in ship repairs in the Red Sea, two additional workshops were built belonging to maritime firms specializing in ship repairs. This occurred between 1925 and 1930. Because of the development of ship repairs in the port, these workshops were organized into one company in 1969, i.e., after national independence, and it was named the National Dockyards Company. The Port Authority Law and the National Maritime Board became incorporated with it.

Despite the fact that the company specializes in naval engineering, it does engineering and technical work for the public utility sector, for agriculture, geologic survey bureaus and the Ministry of Industry. We have also begun to think about manufacturing light poles for the streets in coordination with the Executive Office for the Province of Aden, as well as a program for children's playgrounds.

The Main Workshop

The company has a workshop which performs all types of repairs as well as overhauls. It is composed of the following sections:

--Lathe section: Manufactures spare parts that are not available locally for both small and heavy equipment.

--Milling (mechanical) section: Maintains and overhauls maritime machinery.

--Foundry: Smelts all types of metals in various molds and shapes them according to request.

--Welding and Plating section: Does all kinds of welding by electricity, gas and plating.

--Electrical section: Winds [al-amithnat] belonging to large machines, as well as all types of electrical work.

--Carpentry section: Does all types of woodwork connected with ships, by means of modern machinery operated by expert cadres.

--Refrigeration section: Overhauls all kinds of refrigeration equipment, as well as installing air conditioners.

--Diesel Motor Test section: This section tests the injection pumps of diesel motors, by means of a cadre that has many years of experience.

The Floating Dock and Slipways

The company has a floating dock, whose operation began in July 1977; its specifications are as follows:

Lift capacity: 4500 tons

Length: 137 meters

Width: 24 meters

Submergence height: 6 meters

Height of dock: 11 meters

There are two cranes, one on each side, with a lift capacity of 15 tons each. The floating dock will raise ships submerged in it a maximum of 6 meters.

There are storage tanks on the dock, specifically for the storage of fuel that is taken from the ships by means of pumps on which meters are installed. The fuel is returned to the ship after completion of the maintenance. Resources available on the dock include welding by compressed air, fresh water, alternating electric current of 400, 380, 220 and 110 volts. There is also direct current of 220 and 110 volts. Pressurized steam is offered at 10 kilos per centimeter, or in other words, 1 ton per hour.

The dock is operated by electrical current from the shore, but there are also reserve generators to operate the dock in the event current is interrupted.

For purposes of cleaning the hulls of vessels and ridding them of barnacles, there is a pressure water machine which does the job in the quickest time possible.

Moreover, the floating dock is equipped with an automatic firefighting system, and there is a small workshop aboard it. Big jobs are sent to the main workshop to be carried out. There are internal communications, as well as an observation tower. Control of the port is managed via radio from the main office of the company.

Company Plans

[The director of the company said that] the projects in the first plan included a project to renew the machinery and a project to import the floating dock. However, the results were negative. This mistake that we fell into was not only the company's error, but rather, it was an error of bad planning, dubious

investment and duplication of authority. Some organizations are infringing on the duties of the Dockyards Company and are in competition with the company's operations. Moreover, the floating dock that the Ministry of Fishing Resources will shortly import will force us to semi-paralysis. Our percentage of work will be 30 percent, and by saying this I mean that the company will need full protection as a result of the competition, the plethora of workshops and the fact that they are spreading, and the importation by some organizations of the floating dock, at a time when we have a floating dock capable of fulfilling the purpose.

Authorities Dealt With

So far, we are still dealing with organizations of the Ministry of Fish Resources, the Navy and sometimes, the Yemini Port Authority, some of the organizations that supply ships with fuel, and with some of the projects, such as the Aden-Taizz road project. We also deal with the State Agency for Meat, the Executive Office for Aden Province, and some organizations of the armed forces.

Among the foreign companies and authorities that we have begun to deal with are the Ba'bud Company, the Ethiopian Navy, the Saudi Sadqah Company, the Ethiopian Maritime Company, the Ethiopian Navy, the Sumat Company in Djibouti, as well as the Soviet Superflot Company, which fishes in the port of Aden. We are also trying to improve our relations with the authorities we deal with, by working faster and with improved results, so that we can achieve the firm's acceptance and the goal for which the company was established.

Difficulties

As we said before, we are concerned with the goal for which the company was established, and we are constantly trying to improve our relations with the companies in the neighboring ports. We also have great confidence that our success will grow in this area and that our reputation will be excellent, whenever the protection that we need is provided. This has affected our work since 1980, causing a slump in our work and a drop in the company's profits. Moreover, the decline in the number of ships coming for fuel was also a cause.

I would also like to point out that achieving any goal for the company is tied in with its protection, through the study of investment, a consideration of the activities of neighboring ports and an end to the licensing of small workshops. I believe that numerous quarters concerned could provide us with protection, such as the municipality of Aden and the Ministry of Planning. I certainly hope for that.

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CSO: 4404/546

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

ADEN UNIVERSITY NOTES INCREASE IN GRADUATES

Aden 14 UKTUBAR in Arabic 19 Jul 83 p 2

[Article by Hashim 'Abd-al-Razzaq: "Increase in Number of Graduates of Aden University Colleges"]

[Text] On Wednesday morning, the state examinations for students of the College of Economics--Accounting Branch--will conclude, crowning the examinations which have been occurring in the various colleges of Aden University during the past 3 months. They will say farewell to a new batch of students who have concluded their university studies and have obtained their BA degrees.

This year has seen a considerable increase in the number of students expected to graduate this year, compared with the previous university year, 1981-82. The number of University of Aden graduates from the various colleges will total 803, as compared with 416 graduates in 1981-82, i.e., an increase of 93 percent. This rise in the number of graduates stems from an increase in the number of female graduates (256) over last year. This percentage of increase is 180.4. The total number of female graduates this year is 398, whereas the percentage of male graduates will increase 47.8 percent, since the number of graduates will rise from 274 in 1981-82 to 405 graduates this year.

The College of Education and the Graduation of Two Groups

The College of Higher Education will enjoy the lion's share of the increase in the number of graduates, since its number of graduates will rise from 102 in 1981-82 to 429 graduates from the College of Higher Education. The rate of increase is 3.2 times higher since the abolition of the system compelling 4-year students to work in the secondary schools for a 1-year period beginning this year. This has led to a reorganization of the students for the 2 university years of 1981-82 and 1982-83, and the two groups' completion of university study and their graduation together this university year.

Women achieved a large part of the increase in the number of graduates of the College of Higher Education, since the number of female graduates will rise at a rate of 5.4 times over that of last year, while the number of male graduates will increase at a rate of 5.4 times [sic]. The number of male graduates will total 175, and female graduates will total 354, compared with last year's 55 male and 47 female.

Increase in Economics and Technology

Moreover, the number of graduates in the two colleges of Economics and Technology will also increase over last year. The increase in the number of graduates of the College of Economics will be 38.8 percent compared with last year, since the Economics graduates (both the Economics and the Accounting Branches) will total 154 compared with 111 graduates last year. The number of male graduates will increase by nine, while the percentage of increase in female economics graduates will rise to 97 percent compared with the previous year, when their number was 33 compared with the 65 female graduates this year. The percentage of increase of graduates of the College of Technology is not far from the percentage of increase of the College of Economics, since it will rise to 38 percent. The number of graduates of the College of Technology for this year is 87 compared with 63 graduates last year. The percentage of increase for the number of male graduates is 40.4 percent, with an increase of 19 graduates over last year, when the number of its male graduates was 47. This is in comparison with the increase of 5 in the number of female graduates, since the number of female graduates for this year will be 21, most of whom are concentrating on civil engineering, its share amounting to some 17 students.

Slight Reduction in Graduates of Other Colleges

By comparison, the colleges of medicine, agriculture and law will see a decline in the number of graduates this year. The number of graduates of the College of Medicine will be 51 this year, compared with 52 last year. That will result from the decline in the number of male graduates from 37 to 33, while the number of female graduates will increase to 18 compared with 15 last year. The number of graduates of the College of Agriculture will in fact decline by two this year, and the number of graduates will total 34. The number of graduates of the Law College will decline from 52 last year to 48 this year. This is due to a decline in the number of male graduates, which will total 23 compared with 35 last year. However, the number of female graduates from the Law College will increase this year by 20 percent, compared with the previous year, since their number will reach 25, compared with 17 last year.

The Reason, Enthusiastic Acceptance

The Office of Registrar and Admissions in the University, which supplied us with this information, emphasized that the cause of the continuous rise in the number of graduates from the colleges of Aden University was the students' enthusiastic acceptance of university studies, which have become available to all thanks to the correct policy of the party and the state in building the new Yemeni man, armed with education and knowledge for the purpose of building a better tomorrow.

7005

CSO: 4404/546

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

AL-GHAYDAH AIRPORT PROJECT--During this month, work will begin on the new al-Ghaydah airport project in al-Mahrah Province. After completion, the airport will accommodate large aircraft, of the Boeing 720 and 737 type. It will also contain an area for aircraft parking, lighting for the runway, arrival and departure halls and air navigational equipment. Comrade Haydar Abu Bakr al-'Attas, a member of the Central Committee and minister of installations laid the cornerstone last month for the project, which will be built in accordance with a contract between the Ministry of Installations and an international company. The Bureau of Roads will undertake direct supervision over the project during implementation. [Text] [Aden 14 UKTUBAR in Arabic 17 Jul 83 p 2] 7005

NISHTUN PORT PROJECT--Work on the port of Nishtun in al-Mahrah Province will be completed next April after the project's outfitting has been completed, as a sign that it will be opened on the appointed date. It is well known that the Nishtun port project was begun in 1981 and that its cost will amount to 5 million dinars. It is considered one of the largest projects of the second 5-year plan to be implemented in the fishing sector and one of the largest growth projects in al-Mahrah Province. It is worth noting that the port is located near al-Ghaydah, in an area adjacent to areas rich in fish. They are the main locations for the fishing fleet's operations. The port will offer major services for working boats, whether in terms of supplying them with their needs or carrying out needed maintenance operations. It will also support the fishing cooperatives located on the coast. The port will have an important commercial role, through the accommodation of commercial ships and loading and off-loading import and export goods. The port will also create a considerable economic boom in al-Mahrah Province. [Text] [Aden 14 UKTUBAR in Arabic 17 Jul 83 p 1] 7005

CSO: 4404/546

PANJSHER VALLEY CEASE-FIRE AGREEMENT EXAMINED

East Burnham ARABIA THE ISLAMIC WORLD REVIEW in English No 24 Aug 83 pp 31-32

[Article by Anthony Davis]

[Text]

● In one of the most curious and controversial twists of the war in Afghanistan to date, the Panjshir valley, perhaps the toughest centre of anti-Soviet resistance in the country, has concluded a ceasefire pact with Soviet and Kabul government forces. The unprecedented truce has given the hard-pressed guerrillas a much-needed breathing space, but it also underscores the extent to which the militarily frustrated Soviets are turning to divide-and-rule tactics in an effort to reduce the already fragmented Mujahideen resistance.

The ceasefire in the strategic, rebel-held valley north of Kabul began earlier this year, following approaches by ranking Soviet officers to rebel commander Ahmadshah Massoud. At 29, Massoud, a former Kabul engineering student and son of a retired army officer, is today regarded as probably the most capable and certainly the best known guerrilla commander in the country.

Soviet peace feelers came as early as last year in the form of letters from both the head of the Kabul intelligence service, Khad, and the regime's minister of defence. But the approaches were ignored and subsequently overtaken by the second of two major 1982 offensives that opened mid-August against the valley.

Following the failure of the August assault, however, further approaches were made at the end of the year to the Mujahideen command. These were sweetened by a two-day unilateral Russian ceasefire, according to Panjshiri sources, after which negotiations began. "It was something of a gamble," said Muhammad Es Haq, a senior Panjshiri political officer recently in Peshawar. Before talks with the Soviets began, guerrilla commanders held

consultations with the local "ulema," elders, and the people of the valley, said Es Haq. "They agreed it was to the benefit of the resistance to see what the Soviets had to offer."

Negotiations, he said, opened in the destroyed village of Bazarak near the lower end of the 70-mile valley that cuts across the Hindu Kush range. The Soviet side was first represented by a single senior military adviser accompanied by a Central Asian interpreter. Later, Soviet army officers joined the talks to hammer out the technicalities of a ceasefire.

To date, the Panjshir valley has been the scene of six full-scale Soviet-Afghan army offensives aimed at crushing the well-organised rebels. The repeated assaults have devastated the lower end of the valley but have failed conspicuously either to hold ground taken or to quell resistance. Each successive offensive has rather seen Massoud's Mujahideen units emerge better armed and more experienced. In addition to a range of modern automatic individual and section weapons, the Panjshiri guerrillas now field captured rocket-launchers, mortars, new Soviet AGS-17 automatic grenade launchers as well as Sam-7 shoulder-fired surface-to-air missiles.

But in the grips of a severe winter and worried by shrinking reserves of food, medicine and ammunition, guerrilla commanders were inclined to respond to Soviet approaches. "We were having a lot of trouble at that time," conceded Es Haq. "Massoud was also interested in starting activities beyond Panjshir - he was wondering how long one valley could resist in isolation."

Following protracted negotiations, the rebels agreed to an official ceasefire on condition that embattled Soviet and Afghan troops pulled out of the heavily fortified town of Rukha at the lower end of the valley to the village of Anarwa almost at the valley mouth. The communist withdrawal came in early March.

According to Panjshiri sources, the initial agreement was that the Russians could maintain only 300 men in Anarwa. Later, however, Massoud agreed that provided they stayed within a limited area and did not interfere with the local population, the Soviet command could install as large a garrison as it wished. Communist troops at Anarwa are at present estimated to number around 600, backed by some 300 armoured vehicles dug into what is clearly envisaged as a springboard for any further assaults up the valley floor.

Despite several early infringements of the truce by communist forces – including two air strikes on rebel positions blamed by the Soviets on their Afghan allies – the ceasefire has apparently held well. At the upper and middle reaches of the valley, the civilian population, which last year fled two Russian offensives, has now largely returned.

A good deal of confusion, however, surrounds provisions made for mobile Panjshiri guerrilla units operating beyond the valley on the plains of Parwan, north of Kabul. According to resistance sources, Panjshiri units continue to roam at will across the flat country around the huge Bagram air-base and north of the capital, harassing communist forces both independently and in conjunction with local resistance groups. "The Panjshiris believe the Soviets understood that they (the rebels) would not be operating outside the valley," said one western diplomatic observer. "But that certainly isn't their own understanding."

Nevertheless, the Soviets have reaped obvious advantages from the open-ended truce. Troops pulled out of Panjshir were freed for operations elsewhere and many were transferred to a massive build-up of Soviet forces in Pakhtia province on the Pakistani border – a key Mujahideen infiltration route. Since the Panjshir ceasefire took effect, there has also been a notable concentration of pacification operations on the plains of Parwan and Shomali situated between the southern end of the valley and the capital.

But as important, the Soviets and the Afghan regime have been well placed to make considerable political capital out of an agreement with one of the resistance's most prominent and respected leaders. Significantly, within days of the pact, Afghan communist officials in Kabul were putting about the story that Massoud had rallied to the government and was to visit the capital as an honoured guest. Resistance sources in Peshawar concede that such disinformation

has caused confusion and doubt among supporters in Kabul and beyond.

The truce, too, is typical of wider and apparently increasing attempts by the Soviets to win over individual rebel commanders with offers of money and rank. During a major winter offensive around northern Mazar-i-Sharif, Jamiat-i-Islami commander Muhammad Zabiullah – a personal friend of Massoud's – was similarly offered a ceasefire during fighting that was reportedly taking heavy casualties on both sides. In the event, he turned it down. The approaches though are clearly aimed at dividing the resistance, allowing the security forces to reduce it piecemeal and, not least, exacerbating tensions already in its ranks.

Predictably, the Panjshir ceasefire has gone to provide Massoud's own enemies in rival resistance factions – most of them, it should be pointed out, comfortably ensconced in Peshawar – with further ammunition in a smear campaign aimed at portraying the young commander as a closet leftist who has finally sold out to the Soviets.

For his part, Massoud is claiming the truce as a major victory, highlighting Soviet desperation and failure to achieve either political or military objectives in Panjshir. The guerrillas, meanwhile, have been busy stockpiling supplies and consolidating their position in adjacent valleys earlier held by rival Mujahideen factions.

How much longer the ceasefire is likely to hold remains an open and keenly observed question. Diplomatic sources in Pakistan feel it unlikely the Soviets will leave the valley to its own devices indefinitely, particularly given Panjshiri operations beyond the valley itself. These, they say, will provide the communists with sufficient pretext to renew hostilities when they are ready.

Informed guesses in Peshawar are that another head-on offensive will probably be launched later this summer into a valley of striking scenic beauty that over the past three years has achieved the distinction of becoming Afghanistan's most celebrated killing-ground.

AWAMI LEAGUE OBSERVES MUJIBUR RAHMAN DEATH ANNIVERSARY

Dhaka THE NEW NATION in English 16 Aug 83 pp 1, 8

[Text]

All four factions of the Awami League observed the eighth death anniversary of Bangabandhu Sheikh Mujibur Rahman as the 'national mourning day', vowing to revenge his killing through the implementation of his ideals.

This was for the first time since the killing of Bangabandhu on August 15 in 1975 that the day has been observed publicly.

Speaking at the discussion meeting of her party, Bangabandhu's daughter Hasina Wazed said that the soul of Bangabandhu would find peace only when the people of this country would get food, clothing and other needs for survival through realisation of his dream—an exploitation-free society.

Abdul Malek Ukil, leader of the Razzak-faction of Awami League speaking at a separate discussion meeting organised by the party said, "When the Bangabandhu's daughter has closed the family door, the door of Baksa remains open for us."

Awami League (H) sponsored a discussion meeting in the afternoon on the road in front of Bangabandhu's Dhandmondi residence while the Razzak-faction held its meeting at the central office of the party at 23, Bangabandhu Avenue. The former was presided over by Hasina Wazed and the latter by Abdul Malek Ukil.

Gono Azadi League chief Maulana Abdur Rashid Tarkabagish and literateurs Abu Zafar Shamsuddin and Shaikat Osman were common speakers at both the meetings.

Besides, the guest speakers present at the discussion meeting of Awami League (H) included Ekota Party General Secretary Sardar Halim, Awami League

Gazi General Secretary Mohiuddin, CPB leader Manzurul Ahsan Khan, NAP (Muzoffar) leader Kamal Hydar, NAP (H) chief Chowdhury Harun-or-Rashid and journalist Santosh Gupta.

On the other side, NAP (H) leader Pankaj Bhattacharya and CPB leader Saifuddin Ahmed spoke.

The guest speakers urged the leaders of the two factions of the Awami League to forge unity among themselves to translate into action the ideals of bangabandhu.

Awami League (H) chalked out an elaborate programme in observance of the day all over the country. According to the programme, a section of the central leaders went to Tungipara where the body of Bangabandhu was buried, and to some districts to observe the day along with the local leaders.

In the metropolis, the leaders and workers of the party wore black badges from early morning. Central leaders including presidium members Dr. Kamal

Hossain, Zohra Tajuddin, Korbao Ali and Abdus Samad Azad, acting General Secretary Sajeda Chowdhury, Tofail Ahmed and Mohammad Nasim reached the central office of the party before sunrise and hoisted at half-mast the national and party flags. A black flag was also flown.

Party president Hasina Wazed hoisted the national flag at half-mast at the Dhandmondi residence of Bangabandhu at 7 a.m. She was followed by Sajida Chowdhury who hoisted the party flag at half mast. As a mark of mourning a black flag was also flown there.

The leaders placed wreaths a before portrait of Bangabandhu. The members of the bereaved families including Hasina Wazed and her sister Rehana, Mrs. Jamil widow of Col. Jamil, Abul Hossain Abdullah along with the party leaders visited the mazars of Awami League leaders killed on August 15 and four other leaders killed in jail at the Banani graveyard at about 9 a.m.

About 8,000 poor people were fed at Dhandmondi in the afternoon under supervision of city Awami League president Mohammad Hanif.

publican Party arranged milad mahfil and Quran Khawani on the occasion. The meeting was presided over by party chief

Mr Zahir Khan who in his speech said Mujib was ever vocal against exploitation.

KHETMAJUR SAMITY

Bangladesh Khetmajur Samity at a meeting in Dhaka yesterday demanded official recognition to the contributions of Sheikh Mujibur Rahman to Bangladesh and trial of his killing. The meeting, presided over by samity's leader Mr Anwar Zahid began with observance of one minute silence as a mark of respect to the memory of Mujib.

Meanwhile, no classes were held at Jahangir Nagar University on the occasion of the eighth death anniversary of Sheikh Mujibur Rahman. Chhatra Leagues (J-J) and (F-M) paid tributes to Bangabandhu through separate programmes. The students also wore black badges and brought out a procession on the campus.

Bangladesh Gana Azadi League held a discussion meeting on the occasion. The meeting chaired by elderly leader and party chief Maulana Abdur Rashid Tarkabagish was addressed, among others, by Advocate Abdus Sami, Mr. A S M. Nurul Alam, Mr. A.K.S Sirajul Haque and Mr. K.S. Waliullah.

In his speech, Mr. Tarkabagish recalled the contributions of Sheikh Mujib to the awakening of the people which ultimately led them to the war of independence. He said Mujib was killed on this black day in 1975 as a result of a conspiracy of the imperialist forces.

CTG ALs

Our Chittagong Bureau adds: Two separate meetings were organised by the two factions of Awami League in observance of the 8th anniversary of the death of Sheikh Mujibur Rahman.

The Awami League (Hasina) organised a meeting at the Muslim Institute Hall. Presided over by M A Wabab, President of Chittagong (N) District Awami League the meeting was addressed, among others, by Sheikh Abdul Aziz and Mrs Matia Chowdhury from the centre and Akhtaruzzaman Chowdhury Babu President of Chittagong (S) District Awami League, M. A. Mannan and A.B.M. Mohiuddin, joint convenors of city unit of Awami League.

The speakers accused the Awami League leadership that succeeded Sheikh Mujib for compromising attitude and said that only because of their weakness the ideals of Bangabandhu could not be materialised.

Sheikh Abdul Aziz said the imperialists and their local agents in the elite class killed Sheikh Mujib to frustrate the BAKSAL programme.

Mrs Matia Chowdhury said, the intelligentsia including the journalists did not work to create an image for the Bangabandhu. She warned Khondakar Mushtaq Ahmed of serious consequences if he continued to criticise Sheikh Mujibur Rahman.

The pro-Razzak Awami League organised a meeting at the Chittagong Press Club with Siraj Mian, the city Awami League President in the chair. The meeting which drew a thin attendance was also addressed by pro-Razzak central Awami League leader S.M. Yusuf.

DHAKA DECISION TO STREAMLINE ADMINISTRATION REPORTED

Dhaka THE NEW NATION in English 7 Aug 83 pp 1, 8

[Article by Hassan Saeed]

[Text]

The Government has decided to abolish a number of corporations and merge a few others with existing institutions, as an attempt to streamline the administration.

The axe will fall on Bangladesh Island Water Transport Authority, Bangladesh Mineral Exploration and Development Corporation, the Bangladesh Oil and Gas Corporation (Petrobangla), Institute of Islamic Education and Research, Bangladesh Investment Advisory Centre and Bangladesh Jatiya Shishu Sangstha.

The Bangladesh Jute Marketing Corporation, the Jute Trading Corporation and the Bangladesh Jute Export Corporation shall be amalgamated into a new corporation to be named as Bangladesh Jute Corporation.

Jiban Bima Corporation and Sadharan Bima Corporation may be amalgamated into one and named as Bangladesh Bima Corporation. The Insurance Academy presently operating as autonomous organisation may become wing of the Bangladesh Bima Corporation.

Social Science Research Council shall be merged with and form a part of the Planning Commission as consultative committee.

Bangladesh Rice Research Institute, Bangladesh Agricultural Research Institute, Institute of Nuclear Agriculture Research

and Bangladesh Jute Research Institute shall be restructured and merged into one autonomous body under the name of Bangladesh Agricultural Research Council.

Bangladesh Horticulture Development Board, Bangladesh Cotton Development Board, and Bangladesh Tobacco Development Board shall be abolished and their functions taken over by the Department of Agriculture.

The Bangladesh Forest Industries Development Corporation shall disinvest all projects of commercial nature. It shall restrict its activities to forest ranges where parties are shy and reluctant to operate.

Bangladesh Petroleum Corporation shall be restructured and its functions redefined so as to bring within it the marketing of gas also. Companies marketing gas shall be transferred to the restructured Bangladesh Petroleum Corporation to be renamed as the Bangladesh Petroleum and Gas Corporation.

Bangladesh Small and Cottage Industries Corporation shall be broken into two corporations—one for the small industries and

the other for cottage industries. The Bangladesh Handloom Board shall be merged with the cottage industries.

The University Grants Commission shall be accountable to the Government for all the funds it receives and the way the same are utilised. The Commission shall enforce discipline in the universities and it shall have control over them. The Government funds to the universities shall be channelled through the Commission. No new faculty or teachership in the University shall be allowed without the permission of the Commission.

The Bangladesh Text Book Board and the National Curriculum Development Centre shall be amalgamated and functionally restricted to design syllabi. After amalgamation it shall be named as National Curriculum Board. Printing and distribution of text books should be done through the private sector.

The Zia Fertilizer Factory and the Chittagong Fertilizer Factory shall be transferred to the Bangladesh Chemical Industries Corporation.

The Bangladesh Sugar and Food Industries Corporation shall limit itself to the production and marketing of sugar, development of improved varieties of sugarcane and providing

of credit and extension services to sugarcane growers in the zoned areas. It shall disinvest all other units.

The Bangladesh Steel and Engineering Corporation shall reduce its sphere of activities. It shall retain major industrial undertakings like Chittagong Steel Mill, Machine Tools Factory, Diesel Plant, Khulna Shipyard, Narayanganj, Dockyard, Chittagong Dry Dock, General Electric Manufacturing Plant, Progoti Industries, National Tubes and Eastern Cables. The remaining units shall be disinvested.

CSO: 4600/1545

REPORT ON DEMOCRATIC LEAGUE EXECUTIVE

Dhaka THE NEW NATION in English 7 Aug 83 pp 1, 8

[Text]

The Democratic League (Mushraque) will intensify its efforts to expand the Jatiya Oikya Front by inducting in it the like-minded parties on the basis of its demand to hold national election by March 1984.

It was decided in the extended meeting of Executive Committee of the party that began last Friday and concluded yesterday.

The meeting presided over by Party Chairman Khondakar Mushraque Ahmed was attended by 30 members of the Executive Committee, 70 district and sub-divisional units' presidents and 15 invited guests.

The meeting in a resolution observed that the Jatiya Oikya Front had emerged as a political alternative acceptable to the people.

The party in another resolution expressed profound concern at the absence of fundamental rights of the people continuation of Martial Law, economic miseries of the people, fast deteriorating law and order situation, social disorder, use of weapons at the educational institutions and threat to the national independence and sovereignty of the country by the forces of aggression.

Seven new members including S M A Matab from Khulna, Abdul Gafur from Jessore, Badruzzaman Khan from Dhaka,

Anisur Rahman from Bogra, Abdur Rouf Khan from Sirajganj, Mujibur Rahman from Dhaka and Maynuddin Shaikat Qaderi from Chittagong were nominated to the Central Committee while Advocate Abu Bakr Siddiqui and Advocate Golam Naser have been elected Agriculture Secretary and Student and Youth Affairs Secretary respectively of the party.

The meeting observed that the establishment of a representative government through election was the only way to overcome the crisis which has expressed itself on all economic and political fronts.

The party has decided to instruct all of its units to observe August 15, if possible, together with other components of the Oikya Front. Describing August 15 as a historical day the party said that the nation was liberated from the clutches of Indo-Soviet axis this day in 1975 and the incomplete independence was completed.

A resolution of the party's extended executive committee meeting demanded withdrawal of restrictions on the return of Col. (retd) Rashid and Col. (Retd) Faruq to the country.

The meeting observed that taking advantage of political instability the forces of aggression had tightened their grips as evident from such issues as Parakka, sharing of Teesta

waters and Indo-Bangladesh Joint Economic Commission.

As for the sharing of Teesta waters an agreement has been signed ignoring the interests of Bangladesh, the party holds.

The Party demanded withdrawal of restrictions on political activities and lifting of prohibition on the publication of weekly Ittehad, Satyakatha, Joyjatra, Khobar and Sonar Bangla.

It also reiterated its demand for the withdrawal of foreign troops from the soils of Afghanistan and Kampuchea. Expressing concern at the events in Sri Lanka the party called upon the Government to send a medical team to the country.

INDIA TRYING TO SET NORTH-SOUTH DIALOGUE IN MOTION

Madras THE HINDU in English 9 Aug 83 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI Aug 8

The appeal of the Prime Minister Mrs. Indira Gandhi in her capacity as chairperson of the non-aligned movement to the heads of State or Government of various countries to meet in New York during the U.N. General Assembly session opening next month for consultations on important global issues has met with only limited response so far although the idea itself has evoked worldwide interest.

There are firm indications that the heads of Government of France, Canada, Greece, Spain, Austria, Finland, Holland and Sweden will be attending the General Assembly session, but there is still some doubt about the level of representation of Britain, West Germany and Italy from Western Europe.

It is considered highly unlikely that the Soviet leader, Mr. Yuri Andropov, would go to New York in response to this non-aligned invitation on his very first foreign trip after becoming head of the Soviet Union, in the absence of a proper understanding with the President of the United States. He might depute the Premier, Mr. Tikhonov, or the Vice-Premier, Mr. Gromyko, to represent the Soviet Union.

But Mr. Andropov might privately advise the heads of some of the socialist countries to respond to the NAM suggestion so that the Soviet bloc does not go unrepresented at these consultations on global issues. The Soviet bloc will, however, continue to adhere to Moscow's stand that it is basically the responsibility of the imperialist powers of the West to provide economic aid for the development of their former colonial empires as a sort of compensation for their exploitation.

No indication of U.S. plan: There is no hint at all from Washington whether the U.S. President Mr. Reagan will agree to put in even a brief appearance in New York during the General Assembly session. The non-aligned leaders are inclined to believe that he might send the Vice-President Mr. George Bush along with the Secretary of State Mr. Shultz to represent the United States.

It would not be surprising if he decided to put in an appearance without much advance intimation, in case his advisers feel that the balance of advantage might be in his favour in using this forum for a forceful presentation by the President himself of the U.S. point of view on many global issues exercising the non-aligned nations.

The Chinese Government, too, has not yet indicated its level of representation. But the

general assumption is that the Prime Minister, Mr. Zhao Ziyang will attend this conclave as a logical follow-up of the Chinese participation in the Cancun summit conference. The Japanese, on the other hand are keeping their option open until they know quite definitely the response of other big powers, notably the United States.

Moves to limit number: But one of the problems facing the non-aligned community is that the heads of too many of the member countries might make a beeline to New York, adding to the numbers and making a representative participation in group discussions with the Western and Soviet blocs more difficult. So some discreet diplomatic moves are under way to ensure the presence of only a representative group of non-aligned heads from different geographical regions.

For example, efforts are under way to persuade some of the heads of Arab States, especially Saudi Arabia, Iraq and Syria, besides Algeria, Egypt and Jordan, to attend this General Assembly session. A similar move is afoot to urge the Indonesian President, Mr. Suharto, to join the other leading non-aligned personalities in opening this dialogue with the developed nations.

But the problem is how to steer clear of avoidable embarrassments if Dr. Castro (Cuba), Mr. Qadhafi (Libya) and Mr. Arafat (PLO) also put in an appearance and some of the Western countries decline to engage in any discussions in their presence. It is not possible for the non-aligned community to relegate them

to the background or pretend that they are not important members of the movement, simply to placate the Western powers by pandering to the whims of the United States.

The earlier idea of the assembled world leaders meeting together even informally in one big conclave has been quietly abandoned, because it was felt that it would be more practical to meet in groups as and when a representative gathering of heads of State are available for consultations.

The main purpose of this exercise is to set the North-South dialogue in motion by cutting across ideological and political barriers and condition world opinion for the emergence of a more equitable international economic dispensation.

The Indian diplomacy is, therefore, aimed at readjusting the sights of the non-aligned movement to achieve this limited objective within the short time at its disposal, instead of attempting something spectacular in the nature of a global summit under its auspices.

CSO: 4600/1511

GANDHI DENIES EFFORTS TO GROOM RAJIV

Bombay THE TIMES OF INDIA in English 13 Jul 83 p 1

[Text] Prime Minister Indira Gandhi, denying that she was grooming Rajiv Gandhi to succeed her, has said that having him in the ruling party was a help, "but that does not necessarily mean that he wants to, or should, succeed me."

"In a democracy how can you groom anybody or ensure that somebody will follow you", she asked and replied, "You simply cannot--it depends on what the party and the people want."

In an interview published in the latest issue of WOMAN'S OWN magazine here, Mrs Gandhi is quoted as having said, "As far as I am concerned, having him there in the party or government is a help, but that does not necessarily mean that he wants to, or should, succeed me. I do not think he has any desire for that."

The interviewer describes Mrs Gandhi as one of the most influential leaders in the world, as the "star politician of third world" and a woman who has been acclaimed and trusted by a fifth of the human race.

"Housewifely Attitude"

The interviewer writes that for the moment, in any case, the problem of finding a successor to Mrs Gandhi hardly seems relevant.

The Prime Minister told her: "I cannot imagine a life not doing anything. I always think that basically I am lazy but I have a housewifely attitude to life. If I see something that needs doing or putting right, I just cannot help doing it."

Mrs Gandhi said that she did not think she was at all powerful. "I would be if I could do exactly as I wanted, but I cannot. I have never felt that I am leading. Even though I have been here for so long, I feel quite funny when people call me Prime Minister."

Refuting suggestions that her government was authoritarian, the Prime Minister said, "A lot of people do not think I am harsh enough, that things would go much better if I were not so soft."

On her relationship with the people of India, Mrs Gandhi said. "It is a much more personal contact than just being leader. I do not know if it really does, but what it should show is an involvement in what has to be done."

The interviewer asked how one person could hope to be intimately involved in the lives of nearly 740 million people with 15 main languages, several hundred dialects and a cross section of world religious thoughts.

"Why think of them as 700 million", Mrs Gandhi said, adding, "I look on them as individuals. I do not see them as statistics. I see them as men, women and children, having always lived with them, seen them grow. I suppose it is like someone from outside suddenly seeing your child and saying, How tall is she now."

Mrs Gandhi listed poverty as India's basic problem. 'Every year we raise a certain problem. 'Every year we raise a certain number of millions above poverty line--I think it is about 120 million so far--but when you take over 700 million, there is still a long way to go."

The Prime Minister expressed the view that because India was so big, no other country could bale it out. When Italy suffered an economic collapse some years ago, Europe got together and put the country on its feet again. Nobody can do that for us. Our problems are much too big, so we just have to do it ourselves."

Inaccuracies in "Gandhi"

On the film, "Gandhi", Mrs Gandhi said that she had mixed feelings. "It does get to the spirit of Mahatma Gandhi but those of us who knew him and knew what was happening, notice discrepancies and inaccuracies which are bound to happen. They had to make a film which would make contact with an audience that is not aware of the background--western audiences as well as our own younger generation."

The magazine writes that it is often said that Mrs Gandhi sacrificed her personal happiness for public duty.

But Mrs Gandhi insists that there had been no sacrifice. "I would not call it a duty or a responsibility--it is something I have been brought up with."

She said. "We fought for freedom and what we are doing now is seeing that freedom remains, is safeguarded and that all its benefits reach out to all of the people."

The interviewer writes that after 15 years in office, Mrs Gandhi wears the Prime Minister's mantle with ease and quotes her, "Somebody has said I work a 36-hour day but I keep very well."

CSO: 4600/1452

PRESS REPORTS ON RAJIV GANDHI VISIT TO MOSCOW

Moscow Press Conference

New Delhi PATRIOT in English 14 Jul 83 p 7

[Article by Vinod Taksal]

[Text] Moscow, July 13--AICC-1 general secretary Rajiv Gandhi expressed optimism for the future of Indo-Soviet friendship and cooperation and said that it could help defuse world tensions.

Talking to newsmen here yesterday, he said the scope for bilateral cooperation in many fields was to an extent limitless and if the two countries could cooperate with each other more, not many tensions in the world will lead to conflict situations, he said.

He also spoke of the scientific and technological cooperation between the two countries, and felt that with India's technological base and Soviet Union's scientific advances the two states could fruitfully launch joint ventures in third countries.

He described the Indo-Soviet Friendship Treaty, which guided the bilateral cooperation in recent years, as a major landmark in the history of the two states' relations, and also in the world and thought nuclear power production could be one of the major areas of cooperation in future.

Terming the world situation as complex and tense, Mr Gandhi particularly expressed concern over the Western deployment of nuclear weapons and said India was happy at the Soviet peace initiatives. However, he said one-sided initiatives were no good unless they led to conclusions and peace.

He also referred to the lowering of the nuclear danger threshold to a bare six minutes if the new medium-range nuclear weapons are deployed by the US in NATO states, and expressed the danger to not only European but other countries if the missiles were launched either due to malfunctioning or human error. The US, he pointed out, had gone on "full alert" 30 times in a year.

On Indo-Pakistan relations, Mr Gandhi said India had taken initiative to improve relations with its western neighbour. While the dialogue had been continuing, India hoped the exercise would bear fruit.

He denied his meeting with Soviet Defence Minister Marshal Ustinov had anything to do with India's defence purchases or needs. The talks were of a general nature and friendly, he said and added that Defence Minister R. Venkataraman had concluded his visit here only a fortnight before.

Answering a question on Khalistan issue, Mr Gandhi said the movement would not endanger India's unity. He blamed the USA for its support of the Khalistan movement and named U.S. ambassador Harry Barnes for equating Khalistan with Puerto Rico.

But he said the movement had no backing within India and even from the Akali leadership. The Akali leaders do not want Khalistan. The Khalistan protagonists were very small in number, he added.

Turning to his ten-day visit to the Soviet Union which concluded last night Mr Gandhi said it was very interesting.

Comments on Return

Bombay THE TIMES OF INDIA in English 14 Jul 83 p 7

[Text] New Delhi, July 13 (PTI). Mr Rajiv Gandhi, AICC (I) general secretary, said today on return here from a two-week tour of the Soviet Union that the Soviet leaders were genuine in their desire for peace and keen to reduce tension.

Mr Rajiv Gandhi, who arrived by an Air-India flight from Moscow, said in reply to questions by newsmen at the airport that the Soviet leaders were concerned about the escalation of tension and wanted to reduce it.

A large number of Congress (I) workers, including Mr R.L. Bhatia and Mr Nawal Kihore Sharma, presidents of the Punjab and Rajasthan Pradesh Congress(I), were present at the airport to receive Mr Rajiv Gandhi. He was accompanied by Mrs. Sonia Gandhi.

In reply to a question, Mr Rajiv Gandhi described his visit as "very good and successful". It was a goodwill visit, he said.

Asked whether he discussed the Afghan issue with the Soviet leaders, Mr Rajiv Gandhi said he only discussed party matters. "We discussed what Russians call subjects of mutual interest", Mr Rajiv Gandhi said amidst laughter.

CSO: 4600/1458

PAPER REPORTS PLANNING FOR COMMONWEALTH CONFERENCE

Basic Themes of Meeting

Madras THE HINDU in English 13 Jul 83 p 9

[Article by G.K. Reddy]

[Text] As host country, India proposes to give a new orientation to the next Commonwealth conference to be held in Delhi in November to make the discussions on economic issues more relevant to the aspirations of the great majority of member-states in various stages of development.

The agenda papers and draft declarations are being drawn up in such a way that they fully reflect the feelings of the former colonial countries on north-south relations without embarrassment to the white dominions.

The present multi-racial Commonwealth consists of 14 African, 11 Central American and Caribbean, five Asian, eight Pacific, two Mediterranean and two Indian Ocean states, besides the four white dominions. As many as 35 of these 46 Commonwealth countries are also members of the non-aligned movement.

Apart from the Namibian question which is not strictly a Commonwealth problem, there are no great political issues to be tackled at this conference in Delhi. So the main focus is going to be on what contribution the Commonwealth can make, as a mixed association of both developed and developing nations, to the creation of a better awareness of the need for a north-south dialogue on global economic problems.

A certain degree of loud thinking is being done on these aspects by the Indian officials entrusted with the preparatory work in the course of their talks with the Commonwealth Secretary-General, S. S. Ramphal, who has come to Delhi to discuss the arrangements for the conference. The intention is to move away from the past practice of confining the discussions to generalities and come to grips with concrete issues that concern the welfare of poor nations.

Basic themes: The basic themes of the nonaligned summit will find suitable expression, in one form or the other, in the deliberations of the Commonwealth

conference on economic issues, notably the plea for global negotiations. The annual meetings of the World Bank and the IMF in September and the projected consultations among world leaders during the UN General Assembly session will set the tone for the discussions at the Commonwealth conference.

As Secretary-General, Mr Ramphal is primarily interested in ensuring that the talks on both political and economic issues take place in a harmonious atmosphere. He is all for putting greater content into the conclusions, so long as the discussions do not generate heat and create dissensions over the scope and purpose of the proposed north-south dialogue or the Commonwealth's role in it.

The Commonwealth Secretariat in London has drawn up position papers on some of the economic issues and Mr Ramphal would like important member countries to have prior consultations on them. He would like to avoid the unseemly spectacle of open disagreements followed by midnight sessions to evolve compromise formulations that have become a standard feature of non-aligned summit.

At the organisational level, the Commonwealth conference will not impose any special burdens on the host country which is required to take care of only the hospitality part of it. The Commonwealth Secretariat personnel will handle the conference arrangements, including documentation.

Special arrangements: The ceremonial part of the conference, including the formal opening by the Queen, will require special arrangements more or less on the same scale as the non-aligned summit conference.

Secretary General's Press Conference

Madras THE HINDU in English 14 Jul 83 p 9

[Text] New Delhi, July 13. The disappointment over the lack of concrete agreements at the UNCTAD will provide the backdrop for renewed endeavours in regard to the problems of recovery and development at the conference of Commonwealth heads due to be held here in November.

Stating this at a press conference here today, the Commonwealth Secretary-General, Mr S.S. Ramphal, referred to two studies, one on protectionism and the other on the restructuring of the Bretton Woods system, which he expected to be the centrepiece of discussions at the Delhi conference.

The first study was undertaken at the initiative of New Zealand at the last meeting of the Commonwealth Finance Ministers and the second was being finalised by a group of distinguished economists and was likely to be made available to the Governments by the middle of August.

The report on the economic system was to be taken up by the next Commonwealth Finance Ministers conference in Trinidad in September.

The Delhi conference, in his opinion, would offer a better chance than was provided by UNCTAD for meaningful discussions on the problems of the developing world because the Commonwealth forum was suited for frank, direct and honest exchange of views. He considered this important because of the desperate

nature of the state of economy of most of the developing countries. It was a time of deep anxiety and the concern felt over the depressed economic situation and the frustrations over the UNCTAD would certainly infuse the deliberations, he said.

Focus on disarmament: The conference, he said, would also focus on peace and disarmament which were necessary for the environment of recovery and development. Although the Commonwealth as such was not a party to the Geneva discussions on disarmament it would like its voice to be heard there.

As Mr Ramphal saw it, the November conference would be a continuation of the dialogues that had gone on at different levels, at times among like-minded countries, at times across the line, as between the North and the South at the UNCTAD. He did not view it as an occasion for polemical arguments but for intergroup discussions.

The New Delhi conference, he was sure, would reinforce all that had characterised the Commonwealth. By talking to and not at one another, the participants would find it possible to develop a reasonable number of "convergences", he said.

The very presence of distinguished personalities--Mrs Gandhi, the chairperson of the non-aligned movement, and the British Prime Minister, Mrs Margaret Thatcher, who would host the next meeting of the Organisation for Economic Cooperation and Development, for instance--was significant, according to him. The conference could also build on the possibilities that might emerge from the informal discussions of the heads of Government at the time of the September session of the U.N. Assembly.

CSO: 4600/1453

REPORTAGE, COMMENT ON WORLD BANK, IDA AID

Reduction in Loans

Calcutta THE STATESMAN in English 11 Jul 83 p 7

[Text]

From Our Special Representative
NEW DELHI, July 10.—The World Bank group has approved loans and soft credits totalling \$1,950.9 million to India in the fiscal year ending June, 1983, against \$2,164.8 million in fiscal 1982, according to latest available figures.

In fiscal 1983, the bank loans totalled \$1,937.9 million and IDA credits which are extended for a three-year period with only a service charge totalled \$863 million.

For the second year, India has received more bank loans which are for 15 years at an interest rate linked to the cost of bank borrowings, than IDA credits.

Apart from the decline in the volume of loans approved in fiscal 1983, the drop in IDA credits from the peak level of \$1,281 million in 1981 reflects the depletion of IDA funds, the sixth replenishment of which ran into difficulties. India's share of IDA resources, which was traditionally 40% is now reduced to 25%. The quantum of bank loans which adds up to debt servicing burden has correspondingly gone up from \$430 million in fiscal 1981 to \$1,088 million in fiscal 1983.

For fiscal 1984 the bank has indicated a commitment of \$2.1 billion. On present trends, India will have to reconcile itself increasingly to assistance on harder terms than concessional flow.

IDA's sixth replenishment normally for three years has been stretched to the fourth year till June 1984. Administration and the Congress not fulfilling USA's original commitment. There is much uncertainty about IDA's seventh replenishment for the three-year period beginning July 1, 1984.

Among the major projects for which the World Bank and IDA approved assistance during fiscal 1983 are railway modernization (\$400 million), power transmission (\$250 million), hydro electropower in Orissa (\$325), gas development in South Bassin (\$222 million) and the fourth petroleum project (\$155.5 million).

Other projects covered by IDA credits are irrigation projects in Bihar, Haryana, Madhya Pradesh, West Bengal and Maharashtra, the second tubewell project in Uttar Pradesh, a water supply and sewage project in Gujarat and Calcutta urban development.

Danger to Industrialized Countries

Bombay THE TIMES OF INDIA in English 13 Jul 83 p 8

[Editorial: "Don't Push Us Too Far"]

[Text]

The sharp fall in the World Bank and IDA's pledged assistance to India in the year ending June 30, 1983, to \$1,950.9 million from \$2,164.8 million in the previous year, indicates that quite apart from the successful drive, launched mainly by the U.S. to "graduate" India out of IDA assistance (which is virtually interest free), its attempt to limit the total amount of concessional aid flows to this country, and thus force it to rely more on the private money markets, is also bearing some fruit. In fairness to the Bank and IDA, it should be pointed out that too much should not be read into a single year's figures, for assistance from these institutions has tended to fluctuate sharply from year to year.

But even allowing for this, there can be no doubt that the underlying trend shows a pronounced levelling off in total assistance. A three-year moving average of World Bank and IDA assistance shows a steady annual increase of 23.5 per cent a year till 1981-82. But the increase in 1982-83 was only 0.08 per cent. In real terms therefore while World Bank and IDA assistance rose steadily in the years after the first oil shock, by 11 to 14 per cent a year, in 1982-83 it fell by around eight per cent. Another slightly smaller decline is on the cards this year.

There is a tendency in this country to put most of the blame for the cuts in first IDA, and now overall World Bank assistance, on the USA. But a close look at the figures shows that several other consortium members too had begun to "graduate" India out of aid long ago. As a result, while the member countries contributed 53.5 per cent of the aid authorised by the Aid-India consortium over the three-year period 1974-75 to 1976-77, their share fell to 31.2 per cent in 1979-80 to 1981-82. The slack has been taken up so far by the World Bank, but with the U.S. refusal to meet its full commitment to the IDA's sixth replenishment, and its proclaimed determination to minimise contributions to IDA-7 and further reduce India's share from 40 per cent to 20 per cent, there is little likelihood that concessional loans to this country will rise in real terms in the coming years.

Ironically, India is being denied concessional aid flows precisely because, unlike far too many other developing countries, it has managed its resources exceedingly well. For instance, while Brazil was running an annual budget deficit till very recently of 18.5 per cent of its GNP, the total excess of spending over revenue in India has never exceeded 3 per cent of the GNP. Similarly, while Pakistan's debt service ratio is now 25 per cent of its exports, and its total external debt is 35 per cent of its GNP, the comparable figures for India are 12 and 10 per cent respectively. Common-sense should have suggested that with its large domestic market, its excellent record of repayments, and its steady liberalisation of imports, India should receive more assistance and not less. But instead the donor countries are intent on reducing official development assistance and hardening the terms of aid to force India to borrow more in the commercial market, while they are pouring more money into the already deeply indebted countries on the plea that this is necessary to keep their economies afloat. Even Pakistan has availed of its "debtor power" to obtain an increase of 35 per cent in consortium assistance, on the plea that if aid was kept at last year's level, almost all of it would be absorbed by its debt servicing commitments.

While India can bear the cuts in real aid flows, and the rise in interest rates imposed upon it so far, the rich nations will do well not to push it too far. Because today no other developing country has as great a capacity to cut back its imports drastically without hurting its development plans. India has liberalised its import policies at a time when every other country, including the U.S., has been slapping on protection under a variety of paper-thin pretexts. But it has done this out of choice and not out of compulsion. Any further attempt to graduate it out of aid, in one way or another, is more likely to lead to a drastic cut in imports, than to an increase in commercial borrowing abroad. And this can only hinder, not help economic recovery in the industrialised countries.

PRESS REPORTS DEVELOPMENTS IN RELATIONS WITH PRC

HINDU Analyst on Talks

Madras THE HINDU in English 15 Jul 83 p 1

[Article by G.K. Reddy]

[Text] New Delhi, July 14. There is no indication yet from the Chinese Government when it would like to have the next round of official level talks in Delhi on the border question, although some Indian MPs who had gone to Beijing have come back with the impression that China would prefer to have them in November, if possible.

As it is China's turn this time to suggest suitable dates, based on the convention that it is the privilege of the guest country, India is awaiting word from Beijing without displaying any impatience over the delay or giving the impression that it has any special reasons for resuming the dialogue soon.

Participation in U.N. Assembly meet: The Indian Ambassador in Beijing, Mr A.P. Venkateswaran, met the Chinese Foreign Minister, Mr Wu Xueqian, recently to ascertain the Chinese response to the Prime Minister Mrs Indira Gandhi's letter requesting China's participation in the proposed consultations General Assembly session. The meeting was in the nature of a follow-up of the discussions that Mrs Gandhi herself had with the Chinese Vice-Premier, Mr Yao Yilin, during her recent visit to Belgrade.

But the Indian envoy availed himself of the opportunity to sound the Chinese Foreign Minister on the next round of official talks in Delhi. There was no indication of the Chinese thinking on the subject, although Mr Venkateswaran assured Mr Wu that India was ready to have these talks any time subject to mutual convenience of dates.

There have so far been three rounds of talks--the first one in Beijing from December 10 to 14, 1981, the second in Delhi from May 17 to 20, 1982, and the third from January 28 to February 1, 1983 in Beijing--and the fourth one was due this summer in Delhi. These official level talks had been preceded by the visit of the former External Affairs Minister, Mr Atal Behari Vajpayee, to China from February 12 to 17, 1979, and of the former Chinese Foreign Minister, Mr Huang Hua, to Delhi from June 26 to 30, 1981, after the former Secretary in

the External Affairs Ministry, Mr Eric Gonsalves, went to Beijing in June, 1980, for talks on both bilateral and regional issues.

Change in cycle: At the last round of talks in Beijing, there were some hints from the Chinese that they would like to change the cycle of these meetings in mid-summer in Delhi and mid-winter in Beijing to have the talks in a climatically more congenial environment. Though there was some mention of having the next round in Delhi in winter, there was no subsequent indication of when exactly the Chinese would like to have it.

The Indian approach is not to display any undue concern over the delay nor give the impression that India is under any compulsion to have the talks soon. The policy is to let the Chinese choose the time when they are ready for the resumption of the dialogue. An effort to hasten the progress would, in India's view, have its disadvantages. In trying to avoid the impression that it is concerned over the delay, India is taking care to make it equally clear that it is not disinterested either in an early resumption.

No progress: The fact is that there is a stalemate, if not a deadlock, in these talks in the sense no progress has been made during the last three rounds and none is expected at the next one in evolving even a mutually acceptable basis for substantive discussions. As neither country appears to be ready yet to engage in serious negotiations, the best that can be done is to keep open the dialogue by spreading it over without the appearance of any break in the continuity of it.

The Chinese have promised to send an early reply to Mrs Gandhi's letter after making their own assessment of the utility of the proposed summit level consultations at the U.N. The Chinese Premier, Mr Zhao Ziyang, is probably waiting to see how the other big powers react before committing himself to taking part in these consultations.

Rao on Proposals

Calcutta THE STATESMAN in English 5 Aug 83 p 1

[Text]

NEW DELHI, Aug. 4.—The External Affairs Minister, Mr Narasimha Rao, told the Lok Sabha today that, as part of its package proposal on the border dispute, China was willing to agree to the status quo in the Eastern sector, "which more or less amounts to acceptance of the McMahon line", in exchange for India's agreeing to the status quo in the Western sector.

But, he added, India was opposed to such an arrangement, and "our opposition has been reiterated".

Mr Rao said so in a written reply to a question on the border issue.

The question, put by two Janata members, Mr Bapusaheb Parulekar and Mr Motibhai R. Chaudhari, was whether talks had been held with China at the political level to resolve the border dispute and, if so, the outcome thereof.

In his written answer, Mr Rao said that following the talks which took place with the then Chinese Foreign Minister, Mr Huang Hua, during his visit to India in June

1981, it was decided to hold official-level talks to discuss the boundary question and normalization of relations.

"Three rounds of talks between officials of India and China have been held so far on the boundary question and on the development of bilaterals. While the boundary question is not near solution, both sides have been able to state their fundamental positions and to make an effort to deal with their differences, which remain wide. Discussions on bilateral exchanges have also taken place and contacts in various fields, including visits between the two countries, have made some progress".

ELECTION ROLLS REVISION DETECTS MIZORAM ALIENS

Bombay THE TIMES OF INDIA in English 11 Jul 83 p 9

[Text]

AIZAWL, July 10 (UNI).

AN intensive revision of the electoral rolls now under way in five assembly constituencies of Mizoram is helping to identify foreigners who have infiltrated into this union territory over the past one decade and more.

The foreigners are mostly Chakmas who have entered India ever since the 1971 Bangladesh war.

Spot verification of voters is going on in five assembly constituencies spread over three districts.

Elections are due in these constituencies early next year and the draft electoral rolls have to be out by August 1 and the final lists by the year-end.

The deputy commissioners and electoral registration officers of the three districts — Chhimipul, Lunglei and Aizawl — are meeting here tomorrow to review the findings of spot verification and decide whether the publication of the draft electoral rolls will have to be deferred, according to official sources.

Elections to the Mizoram assembly

are to be held in the Chongte constituency (Chhimipul district), Demagiri and Buarpu in Lunglei district and Phuldungsel and Kawrthah in Aizawl district.

The Chakmas are a tribe inhabiting the Chittagong hill tracts of Bangladesh. These tribal infiltrators now form a considerable part of the population of the five constituencies.

In support of their contention, it was claimed that enumeration conducted in April, showed a large increase in the number of Chakmas in some parts of these constituencies over figures registered last year.

In some pockets, the increase was hundred per cent and in some others even more, these sources said.

Against a total border population of about 20,000, on the basis of the 1971 census, the number of Chakmas alone was estimated at 40,000 as per last year's enumeration. This year, their number was said to be still higher.

Meanwhile, almost all parties have demanded that the election commission should postpone the date of publication of the electoral rolls.

The Union territory's population this year was estimated at 4.87 lakhs of whom the number of productive voters was said to be about 2.5 lakhs.

CSO: 4600/1450

HOME MINISTER SAYS BANGLADESHIS ENTERING BIHAR

New Delhi PATRIOT in English 19 Aug 83 p 7

[Text]

HOME Minister P C Sethi admitted in the Lok Sabha on Thursday that some Bangladeshi infiltrators were entering Bihar through West Bengal and action was being taken to check such illegal entries, report agencies.

Mr Sethi was responding to a calling attention motion on the reported large-scale infiltration of Pakistanis into Kutch (Gujarat) and other parts of the country.

He said though the country's western border was not large there was no need for erecting a fence along the border as was being contemplated along the India-Bangladesh border.

He said the Jammu and Kashmir Government had been advised to take "strong" action against anti-national elements which had "hoisted" a Pakistani flag in Kashmir on the Independence Day.

Quoting reports from the State Government, Mr Sethi said it had not been done by infiltrators.

He said the Government had no information about any recent large scale infiltration by Pakis-

tani nationals into any part of the country along the Indo-Pakistan border including Kutch.

He said that constant vigilance was, however, being maintained all along the international border.

During 1983 (up to June) the BSF apprehended 14 Pakistani nationals on Kutch-Pakistan border, who were found crossing the border illegally, action was being taken against them by local authorities, he said.

Mr Sethi said in reply to questions by Mr Kashyap that about two lakh people visit India from Pakistan every year on valid passports. About 3,000 to 4,000 stay back because of various reasons.

About the smuggling across Kutch border, the Home Minister assured the House that effective steps were being taken to check it.

Mr Kashyap suggested that a high level committee should be constituted to find out the exact number of infiltrators and check them, many of whom come for espionage.

CSO: 4600/1530

CPI LEADER SAYS AKALIS ENDANGER NATIONAL UNITY

Bombay THE TIMES OF INDIA in English 11 Jul 83 p 9

[Text] New Delhi, July 12: Indicating further disintegration of the opposition front, the CPI general secretary, Mr Rajeswara Rao, today severely attacked the "inflammatory utterances" of Akali leaders at Baba Bakala, which struck at the root of national unity.

Mr Rao, along with Akali leaders, was an enthusiastic participant of the opposition conclave held in Delhi last month. The resolution on Punjab adopted at the meet was strongly critical of the government's alleged dilatory tactics in finding a solution to the Akali demands.

The CPI leaders in his statement today had no critical comments to make against the government. On the contrary, he offered on behalf of all the opposition parties to co-operate with the government in trying to "save Punjab and the secular democratic set-up of our country."

He also urged the Prime Minister, Mrs Gandhi, to take necessary steps for a peaceful solution in Punjab.

Mr Rao strongly disapproved of the call given by the Akali leaders for direct action, for talking of going the Bangladesh way and the entire "panth" turning extremist.

He said he could not accept Sant Longowal's explanation that the speeches of such prominent Akali leaders as the SGPC president, Jathedar Gurcharan Singh Tohra, Jathedar Jagdev Singh Talwandi and Mr Sukhjinder Singh, were expressions of their personal views.

He said his party was opposed to the concept of the Sikhs being a separate nation. Nations, he said, were not made on the basis of religion. If that were so, all Muslims of the world would have been one nation and all Christians another nation.

CSO: 4600/1451

REPORTAGE ON RECENT DEVELOPMENTS IN CPI-M

Politbureau Meeting Reported

New Delhi PATRIOT in English 14 Jul 83 p 4

[Text]

Our Special Correspondent

The CPI-M politbureau while condemning the extremists for organising violence and murder in Punjab, has welcomed the initiative taken by Opposition leaders on resolving the Punjab problem.

The politbureau which met in the Capital on 10-11 July, appealed to the Akali leaders to see that statements emanating from some Akali leaders concerning the "Sikhs as a nation" were doing great harm to the country as a whole and alienating the Akalis from the democratic movement.

The politbureau agreed with the Opposition leaders' views at the Delhi conclave that the problem remained "unresolved only because the Congress-I leadership and the Centre refused to carry out the consensus of tripartite conference held about three months ago."

The inordinate delay on part of the Centre in implementing the consensus was adding fuel to the fire, the PB charged and expressed its concern that delay was leading to communal tension.

It extended full support to the visit by Opposition parties to tension areas in the State for bringing together people of all communities and fighting the virus of communalism and growing violence.

Regarding the two conclaves of the Opposition parties, the politbureau made it clear that while "they were not intended to give birth to a national alternative, the coming together of all Opposition parties helped the evolution of a consensus in the struggle against the authoritarian moves of the ruling party."

Noting that Centre-State relations would be the main topic at the next meeting to be held in September in Srinagar, it decided to prepare a memorandum setting forth its views on the question which came under the purview of the Sarkaria Commission and circulate it among the Opposition leaders.

The politbureau charged that in West Bengal the Congress-I was carrying on a hate campaign against the Left Front and its Government, inciting their followers to violence.

Their ambitious plan of gaining a smashing victory in the panchayat elections and using it to unleash a movement to oust the Government having been foiled, the Congress-I leaders have been making open calls to their followers to liquidate the cadres of the Left Front, particularly of the CPI-M, it charged.

It appealed to all the constituents of the front to strengthen the unity, which alone would help defeat the foul conspiracies of the Congress-I and other enemies of the front.

The claims of "progress" and "stability" of the economic situation were debunked by the politbureau which spoke about the galloping inflation worsened by the natural calamities like droughts and floods.

In a statement on the Punjab situation, Mr G C Bhattacharya, MP, said that Communist parties should play a positive role in adding new dimensions to patriotism which could be consolidated for building a powerful unity of the nation to defend freedom and against dangerous divisive theories.

Stating that there was no difference between extremists and moderates among the Akalis, he welcomed the CPI general secretary's statement against the dangerous speeches of the Akali leaders.

Logically the Communist parties must part company with the friends of US imperialists, who were acting according to the blue-print of the enemies of India to replace Mrs Gandhi so that friends of America were in power, he added.

On the international situation, the politburo hoped that the call given by the June "World Assembly for Peace and Life Against Nuclear War" in Prague (Czechoslovakia and the "World Federation of Trade Unions" to observe 1 September as anti-war day will be responded to. It appealed to its party members and units to make the anti-war day a success.

The politburo expressed solidarity with the Palestinians and other people of West Asia, South Africa, Central America, Caribbean and Korea in their struggle against American imperialism, Zionism and apartheid.

Namboodiripad Meets Newsmen

Bombay THE TIMES OF INDIA in English 17 Jul 83 p 5

[Text] New Delhi, July 16. The CPM general secretary, Mr E.M.S. Namboodiripad, said here today that it was in the interest of the Soviet Union to do everything possible to keep the Indian government on its side.

The Marxist leader was commenting on the red-carpet treatment given to Mr Rajiv Gandhi by the Soviet government during his recent visit to that country, while talking to newsmen here.

Mr Namboodiripad, who wants his party to maintain fraternal relations with the Communist Party of the Soviet Union, said the CPM did not need the help of Moscow in its fight against Mrs Gandhi.

The CPM leader made it clear that his party had many differences with the ruling party. It was strongly opposed to the methods employed by Mrs Gandhi. In the case of Punjab, he charged the Prime Minister with playing Haryana against Punjab and Hindus against Sikhs.

He said the Congress(I) government at the Centre was responsible for the present communal tensions in Punjab. He agreed that there was an element of "separatism" among the Akalis. But he alleged that the separatists were the creation of the Congress(I)--apparently meaning the extremist leader, Sant Bhindranwa'e.

"You cannot fight separatism with Bunderism," he said referring to the recent appointment of Mr P.S. Bhinder as police chief in Punjab.

Mr Namboodiripad said the Punjab problem would have been solved had Mrs Gandhi implemented what he claimed the consensus arrived at the tripartite talks in Delhi. But, as usual, the government allowed the things to drift. It was due to this policy of drift that Mrs Gandhi did not implement her own award of 1971.

With this role of the Congress(I) in Punjab, it was rather curious that the Prime Minister should be charging the opposition parties with fostering fissiparous tendencies, he said.

On the question of the CPM's relations with the CPI, Mr Namboodiripad said that although his party had established party-to-party ties with the Communist Party of China, it had no effect on the unity of action between the two parties. Even during the current polemics between the two parties, their representatives had met at least twice, he pointed out.

The CPM, which believed in the unity of the communist movement, was committed to maintaining the basic unity of action between the two parties, he added.

Drive To Strengthen Party

Bombay THE TIMES OF INDIA in English 15 Jul 83 p 23

[Text] Calcutta, July 14. In a serious bid to put its house in order by removing the weaknesses exposed during the recent panchayat elections, the CPM has decided on some drastic surgery on the organisation.

According to party leaders, many of these weaknesses are related to the CPM's impressive growth in West Bengal over the last several years and have remained only because the organisation had been too busy with other issues of immediate concern.

Till December, therefore, the leadership has planned a massive drive to improve the party at all levels, induct Adivasis, women, students, youth and even children who felt drawn towards it during the panchayat campaign--and take such steps as are considered necessary to remove organisational flabbiness".

Election Impact

The leaders feel the jolt given by the election results has to be welcomed. Going by the series of bilateral discussions they have been having with other left front partners over the last few weeks, they believe that the CPI, the RSP, and the FB also have drawn similar lessons from the election results. They described the talks as "most cordial and earthy."

At the front level, the major task now is reforging the unity which appeared to have been disrupted in the wake of the panchayat elections. Some headway has been made in this direction already. In the districts consensus is being reached among the front partners on the choice of pradhan or upa-pradhan of panchayat bodies.

The CPM leaders point to the FB having acknowledged that it had put up claims for seats which could not be backed up by its own organisational strength. The RSP and the CPI have not done so publicly yet, but in informal talks their leaders are claimed to have taken a similar hint.

Intra-Front Position

The CPM leaders do not share the pessimistic view of the other three partners that the current intra-front position is such that the present uneasiness will continue unabated. Nor have they shifted from the position that it was because the CPI, the RSP and the FB had sought to gain in the panchayat elections at the expense of the CPM that the Congress(I) won more seats than it normally could have.

The CPM is likely to maintain this point, irrespective of its impact on the other front partners. But the CPI, the RSP or the FB taking a kindly view of such a campaign was most unexpected.

However, front level discussions on panchayat office-bearer elections are said to be proceeding satisfactorily in all but one district. In Birbhum district three successive meetings of the front committee fell through because of the absence of the CPI representatives. One of the CPM secretariat members, Mr Benoy Chaudhury, is likely to visit Birbhum to look into the seeming impasse. Outstanding disputes, according to a front decision, are to be referred to the state level committee for settlement by the end of this month. But no such reference has been made yet.

The CPM leadership is now seized with the question of bifurcating the 24-Paraganas district organisational committee, more or less on the same lines as the planned division of the administrative district. It seems convinced that if the party has not fared as well as it should have in this district in the panchayat elections, the reason lies within the organisation.

Problems of similar nature seem to have cropped up in regard to two other districts--Nadia and West Dinajpur. In the case of the later, the party admittedly exaggerated its own strength in comparison with that of the RSP. Secretaries of all three districts are to collectively meet the state secretariat members to discuss these organisational problems and seek means of resolving them.

Normally, one or more state secretariat members visit a problem district for consultation with district secretariat members and report back to the state secretariat for appropriate action. If a departure is now made from this practice, it is because the leaders feel there should be no scope for leaving a communications gap in such delicate discussions. The party leadership is also serious about encouraging collective functioning and decision-making at different levels.

Halfway through the last term of the panchayat bodies, the CPM had decided that no district committee or secretariat member should hold any panchayat office simultaneously. This principle has been enforced since. The latest decision is that the same principle should apply to the party's middle-level branch committee and lowest-level local committee leaders as well.

The rationale behind this decision is that if the branch or local committee leaders also become panchayat functionaries, their performance is bound to suffer. Enforcement of this principle has become all the more necessary because the number of branch and local committees has proliferated. But the leadership remains relatively uneducated in regard to the party's political orientation. A crash programme has been drawn up for training these leaders.

According to the party leaders, their relative losses in districts like 24-Parganas can largely be traced to the failure of the branch and local committees to explain properly to the panchayat bodies what they were expected to do, what their limitations were and how best to focus popular attention on these limitations.

It is pointed out that in the absence of weaknesses, the party could effectively hold its own in districts like Burdwan and even Midnapore. In Burdwan the party

leadership at one time belonged largely to the middle class and middle peasants. Now it has a more mixed character at all levels and can therefore be more effective in facing up to the Congress(I) challenge.

Class Composition

The class composition of the newly-elected CPM panchayat bodies may not have changed significantly and the middle class predominance may still be there. But unlike after 1978 when an overwhelming number of elected party panchayat members were not front body members, this time a majority of them are CPM.

The assumption is that the CPM will not have much of a problem over the selection of its candidates for panchayat office. But this may not be so, the reason being that panchayat office is popularly understood as a source of authority. The leadership seems determined that all such cases of dispute should be steam-rolled over.

This attitude perhaps more than reflects the nature of the party's problems of growth and the drastic steps necessary to resolve them. The leadership has made a beginning. But the question remains whether these have not become too big and insoluble already or whether other developments concerning the party will not be too pre-occupying, as in the recent past.

Differences With CPI

Calcutta THE STATESMAN in English 13 Jul 83 p 9

[Text] New Delhi, July 12--The acrimonious debate that began last month between the CPI and the CPI(M) over the latter's restoration of its party-to-party relationship with the Chinese Communist Party--a debate which has underlined the serious differences that still divide the CPI and the CPI(M)--continues unabated.

In the latest rejoinder to the CPI, which had touched off the debate, the CPI(M) Politburo member, Mr Harkishan Singh Surjeet, says: "We are not going to learn Marxism-Leninism from the CPI which lacks any deep understanding and has been distorting realities, whether it is the question of ideological debate in the international Communist movement or the question of understanding of the national situation".

It is especially on the latter point--the CPI's "class collaborationist lines"--that Mr Surjeet continues to dwell in his rejoinder published in the latest issue of the CPI(M) weekly, People's Democracy.

"Volumes can be quoted from the literature of the CPI about its class collaborationist line, its concept of a national democratic front, a front along with the Congress" Mr Surjeet says, and goes on to quote from the documents of the 1950s starting with Mr C. Rajeswara Rao's alternate draft resolution at the undivided party's fourth congress at Palghat.

That resolution according to Mr Surjeet, "advanced the slogan of an alternative Government of national unity, including the Congress". He adds: "It was this

understanding which was subsequently developed in the full-fledged line of class collaboration after 1962".

That understanding "of trailing behind the Congress", he says, was what "brought the CPI to the position of supporting the Emergency". And he quotes Mr Rao's statement that "the need of the hour is unity of the Congress, the CPI and other democratic parties, mass organizations and forces".

Mr Surjeet says: "Differences on many ideological and programmatic questions between the CPI(M) and the CPI exist even today. Our party cannot agree with the CPI on its slogan of national democracy and non-capitalist path, the class nature of the State and Government, and the question of leadership...are these small matters? Have not these basic differences existed since 1955?"

Mr Surjeet ends his piece with the comment that the CPI(M) does claim that, on the whole, its line has proved to be correct. "And this is proved by the growth of the influence of our party".

The central point of the CPI in this whole debate, voiced by Mr Indradeep Sinha, editor of NEW AGE and member of the CPI national secretariat, has been that the "CPC leadership had played a key role in instigating a split in the CPI which resulted in the formation of the CPI(M)".

That criticism, described by Mr Surjeet as a "shopsoiled story" led him to depart from what he stated was the CPI(M)'s policy of refraining from making any open criticism of the CPI.

His answer to that specific point was that "it is not proper for CPI leaders to harp on their pet slander that the split in the united CPI took place at the instance of the Communist Party of China". Mr Sinha had, at one stage in the debate, charged the CPI(M) with "ideological degeneration" and even "braggartism".

The CPI, veteran, Mr Hiren Mukherjee, has also in the latest issue of NEW AGE, joined the fray to caution the CPI(M) that while it might be tempting for the party leadership "to bask currently in the sunshine of comparative electoral success" it must also realize that "sunshine, in the nature of things, shifts from hour to hour".

Mr Mukherjee adds: "The CPI(M)'s current comparative advantage in parliamentary terms, which means not a little in the short run of politics has given rise, perhaps inevitably, to a kind of complacency of their part about the general situation and also, unhappily, a certain arrogance in relation to the CPI".

CSO: 4600/1454

INDIA, USSR SIGN MEDICAL RESEARCH AGREEMENT

Madras THE HINDU in English 8 Aug 83 p 6

[Text]

MOSCOW, Aug 7.

Prevention of occupational diseases and studies of medical aspects of environmental contamination have been chosen as two areas of cooperation among the Indian and Soviet medical workers during 1983-84.

The two sides will continue their joint research in six areas — infectious diseases, blood and blood preparations, ophthalmology, oncology, neuro-physiology, immunology and production of vaccines.

The plan of cooperation was adopted at the first meeting of the Permanent Soviet-Indian Commission on cooperation in medical science and health care, which ended in Moscow earlier this week, reports APN.

Joint research in prevention and chemotherapy in malaria, testing of new anti-malarial preparations, working out the method of malaria zoning to prevent most effectively a possible outbreak of the disease in India will also form part of the plan.

New anti-malarial preparations: The Soviet side will provide Indian medical researchers samples of the new anti-malarial preparation, babequine, for carrying out medical and preventive tests in Indian conditions.

Specialists of the two countries will also continue their joint researches on the most effective means of combating such infectious diseases as polio, virus hepatitis and Japanese encephalitis.

The plan also includes exchange of scientific information between the ophthalmologists of the two countries. Soviet specialists will produce and hand over to their Indian counterparts intra-ocular lenses and keratoprosthesis for clinical testing. Indian specialists, in turn, will hand over to the Soviet side their samples of contact lenses.

Ophthalmologists of the two countries will also exchange visits to study the Soviet and Indian methods of implanting artificial lenses and the surgical treatment of eye diseases.

Soviet ophthalmologists have garnered considerable experience of the surgical correction of weak and medium degree myopia and myopic astigmatism.

They will pass on to the Indian specialists information on the improvement of instruments and will perform several joint operations and clinical examinations of patients before and after operations. — PTI.

CSO: 4600/1507

PRESS, RADIO ON COOPERATION, TRADE WITH USSR

Status of Cooperation

New Delhi PATRIOT in English 9 Aug 83 Supplement p 3

[Excerpt] Today more than 70 industrial and other projects have been built, are under construction or being designed in India with Soviet assistance. Many of them are major and basic ones within their respective branches of industry. An industrial map of India is now unimaginable without the Bhilai and Bokaro steel plants, the machine-building plants in Ranchi, Hardwar and Durgapur, the oil fields in Gujarat and Assam, the oil refineries in Koyali, Barauni and Mathura, the Neyveli, Obra and Bhakra power stations and other projects.

The enterprises built as a result of Soviet-Indian economic cooperation now account for nearly 40 per cent of steel production in India, almost 80 per cent of the output of metallurgical and other heavy equipments, 35 per cent of oil production and 40 per cent of oil refining, 10 per cent of power generation, and also for a considerably proportion of the output of coal, instrument-making, and pharmaceutical industries, etc.

Soviet and Indian organisations are actively working to fulfil the provisions of the 1979 long-term Agreement. In 1982, contracts were signed for the designing, supplying of equipment and sending of Soviet experts for building the Vindhya-chal Thermal power project of 1,200-megawatt capacity, a detail design of the project has already been handed over to the Indian side, and preparatory work is now under way at the construction site. A start on the delivery of Soviet equipment will be made in 1984. The first unit of the power station of 210-megawatt capacity is to be put into operation in

1987, and the thermal power station as a whole is to be completed in 1989-1990. The project will considerably improve electric power supply to Central India.

Work is under way on the designing of the Nigahi and Mukunda open-cast collieries of 14 and 12 million tonne annual capacity, respectively. The putting into operation of the first section of the Nigahi colliery is planned for 1986 in order to provide the Vindhya-chal power station with coal. The work of designing the Janjhra coal mine of 2,800,000-tonne annual capacity has been completed, and

a start has been made on the delivery of equipment for it. It is planned to put the mine into operation in 1987.

An area has been selected in West Bengal for seismic prospecting and drilling for oil and gas. The Soviet organisations have started working on this complete task. The repairing of idle and low-efficiency wells in Gujarat in under way and some of them have already begun to yield oil again.

The Soviet Union and India are jointly building a 3 million-tonne annual capacity steel project in Visakhapatnam, the first section of which, of 1,200,000-tonne capacity, is to be completed in 1986. An agreement on cooperation in the construction of the plant's second stage was signed in May 1983, under which the Soviet Government has granted India a credit of 140 million roubles.

Work on increasing the capacity of the steel works in Bokaro and Bhilai to four million tonnes a year is nearing completion. A start has been made on cooperation in the field of irrigation.

Soviet and India experts have prepared technical documentation on the building of a pre-fabricated reinforced concrete panels project whose products will be used for the construction of irrigation facilities, and feasibility studies are being made on using the directional blasting method for the construction of dams and canals in India.

Life, however, does not stand still and there is always great scope for the further expansion of Soviet-Indian cooperation. As said by Nikolai Tikhonov, Chairman of the Council of Ministers of the USSR "in the process of realizing

the plans already made, new projects, forms and directions will arise. As before, Soviet-Indian cooperation will play an important role in the fulfilment of the economic tasks facing our countries and will even more fully supply the requirements of both sides."

The Soviet-Indian economic cooperation embracing ever new areas of economies of both the countries indeed shows a new and immensely successful way to all the developing countries for making up the lag in their economic development imposed on them in part by the capitalist West.

Technological Cooperation Protocol

BK101448 Delhi Domestic Service in English 1545 GMT 9 Aug 83

[Article by M. K. Dharmaraja: "The Indo-Soviet Protocol for Technological Cooperation"]

[Text] The Indo-Soviet protocol on expanding the horizons of industrial and technical cooperation signed in Moscow recently breaks new ground in the multifaceted collaboration already under way. The agreement on working programs designed to cover the frontiers of new technology in addition to the existing arrangements spans the 5-year period from 1983 to 1988. Because of the nature of work involved, some arrangements are likely to spill over beyond this period.

Under the protocol, provision has been made for a series of working programs on which specialists of the two countries will be engaged in scanning the methods of mutually beneficial collaboration. The programs included in the protocol were signed by the secretary in the Indian Department of Heavy Industries, Mr D. V. Kapur, and the deputy Soviet Minister [name indistinct]. Mr Kapur led a team of Indian technocrats associated with the heavy industry undertaking, the Bharat Heavy Electricals [BHEL], the Heavy Engineering Corporation [HEC], Ranchi, and the Mining and Allied Machinery Corporation [MAMC], Durgapur. The BHEL has been looked upon as an enterprise especially capable of technological collaboration in the sophisticated fields of the manufacture of equipment, in the supply of systems for the energy industries. It has also taken in its stride the production of equipment and machinery for transportation and other important sectors. BHEL has the distinction of having undertaken the exploration of nonconventional energy sources with greater emphasis on solar energy and the integrated rural energy program.

The Heavy Engineering Corporation, similarly, has been supplying equipment to various prestigious projects, like the Bhilai, Bokaro and the Vishakhapatnam steel plants. These [words indistinct] have plans for advanced technology in other fields. The corporation has been supplying equipment abroad, mainly to the Soviet Union, Bulgaria and Bangladesh. The Mining and Allied Machinery Corporation has a production profile covering mining equipment of various types. It has also diversified into the manufacture of bulk material handling equipment. The corporation has, besides, been supplying its products to the

Soviet Union. The two corporations, HEC and MAMC, are thus already supplying machinery and equipment to the Soviet Union. These are being sent to meet the needs not only of the Soviet Union, but certain other countries also.

The protocol marks a distinct advance by expanding the scope of the working programs for collaboration. As a result of the discussions conducted by the Indian team of technocrats with their counterparts in Moscow, it has now become possible to extend earlier arrangements to BHEL which will now supply the Soviet Union certain types of motors and, hopefully, other equipment also. Soviet experts, it has been agreed, will examine the possibility of obtaining casting and forging material from the BHEL plant.

In the course of the detailed discussions in Moscow, the desks were cleared on expanding the areas of supply of equipment from India. Arrangements have been made for the supply of Indian machinery and equipment to the Soviet Union for 1984 and 1985. These are likely to be finalized soon and the contracts are to be signed in the course of a couple of months.

In the sphere of expanding the frontiers of cooperation, both Indian and Soviet teams have agreed to consider the possibilities of the exchange of items turned out at many other plants in both countries. Under the new arrangements, Soviet representatives will identify items they would be able to buy from Indian undertakings in addition to those to be obtained from the Heavy Engineering Corporation, the Mining and Allied Machinery Corporation and the Bharat Heavy Electricals. Similarly, the Indian undertakings will identify such items which are not being manufactured in this country but can be bought from the Soviet Union. Experts of the two countries will conduct a detailed examination of the items involved. It is likely that certain modifications might become necessary in the kind of equipment and machinery to be supplied by either country. All these matters and details will be examined by the Indian and Soviet technocrats.

A team of Soviet specialists is due to come to India in the fourth quarter of this year for this purpose. They will go round the various plants and exchange ideas on collaboration. An Indian team will later go to the Soviet Union on a similar mission in November or December this year.

Yet another significant facet of the protocol is the provision made for co-operation in research and development activities by specialists of the two countries. A wide range of such cooperation has been identified. Different [words indistinct] with the three Indian organizations, the HEC, the MAMC and the BHEL, and their counterpart organizations in the Soviet Union. A beginning will be made by specialists in the process of jointly carrying out research and development activities in the concerned laboratory. It was agreed that such cooperation will be subsequently extended to other organizations in line of manufacture. The Soviet Union has already agreed to help in expanding the capacity of the Ranchi Heavy Engineering Corporation in its program of designing steel plant equipment. The Soviets will provide the basic documentation for the expansion.

The joint working group has also drawn up an elaborate program of collaboration in several other fields. They involve an enormous number of projects, including

highly sophisticated work of development and designing of the turbines. The work on drawing up profiles for various products and for operational equipment is also included. Each product itself would involve detailed work. This would take the specialists to the laboratories in India as well as the Soviet Union. The work, in fact, is continuous. Smaller groups drawn from the two countries would have to examine various methods of production. An example of understanding already reached in this field is provided by the study connected with expertise in welding metallurgy and welding technology available in India.

Substantial progress has already been made in the field of Indo-Soviet joint ventures. The Soviet Union had been helping in canalizing the equipment supply by Indian undertakings for third country markets. Working groups are now being set up involving organizations, like the BHEL, to examine further possibilities of supplying equipment to third countries. This is an elaborate process in which older designs and technology will have to be continually updated. A whole lot of experimentation and design will be needed at the laboratories in both the Soviet Union and India involving the engineers of the two countries. Joint studies will also be conducted on a complementary basis. Collaboration in supplying machinery and equipment jointly to other markets will necessarily have to be on a complementary basis. These new cooperation programs in rendering engineering and project assistance jointly to third countries have invested the protocol with a significantly new dimension. The agreement to collaborate in supplying equipment to other markets abroad is bound to help in expanding the fields of endeavor in the system of mutually beneficial collaboration.

India has already gained considerable experience as well as reputation in setting up turnkey projects abroad. Benefits of Soviet expertise will now help not only in providing equipment for India's expanding needs, but in the program of exchanging technical knowhow with other developing countries. 9459

Expanded Trade Recommended

New Delhi PATRIOT in English 11 Aug 83 p 7

[Article by Vinod Taksal]

[Text]

MOSCOW, Aug. 10
A STRONG suggestion has been made here for widening production cooperation between India and the Soviet Union for the benefit of the two countries as well as their future economic cooperation.

Making the suggestion at a seminar at Oriental Institute here, held to commemorate Indo-Soviet treaty and Indian Independence, anniversaries, Dr Alexander Granovski said, widened production cooperation could go a long way in stabilising trade relations and ameliorating current trade imbalances between the two countries.

He thought this was in fitness of things since economic cooperation between India and Soviet Union has passed through some critical stages and was poised for new dimensions with plants like Vizag, which are being set up with minimal Soviet exports of equipment.

The economic expert of the Oriental Institute referred to current Soviet trade deficit as a constraint on trade growth and felt that increased sales of industrial essentials like crude and oil or plant equipment could only be ad hoc measures towards balancing trade annually.

Neither country, despite goodwill, could be expected to treat cashew, carnal or tobacco as "essential commodities" that need to be bought either in rupee trade or foreign currency trade zone.

Dr Granovski noted that trade between the two sides had grown phenomenally, but he denied that trade deficit of the Soviet Union was as massive as Rs 2,400 crores as was made out by some Indian newspapers. When rates of trade and currencies, rise in prices, payments of credits and "invisible

trade", including defence equipment, were computed, the trade deficit was not more than one-fifth of the mentioned figure, he maintained.

While Dr Granovski stressed the need to improve production cooperation as a form of stable economic relations, celebrated Indologist Dr Eric Kamorov emphasised the stability and increase in political relations between the two States.

He said first Lokmanya Tilak and then Pandit Nehru were most inspired by the successes of socialist revolution in tackling socio-economic problems of a backward Russia. Dr Kamorov said and listed this as a major factor for the latter-day successful development of close friendship and cooperation.

Dr Georgi Kim, who presided over the seminar, also mentioned the significance of Indo-Soviet friendship in today's world situation, which was being complicated by adventurist policy and

actions of US imperialism.

Dr Kim made pointed reference to the Soviet peace initiatives and India's leadership to the Non-Aligned Movement.

Tamilnadu Education Minister Aranganayagam and Kerala ISCUS secretary S. Sarma, constituting the ISCUS delegation, also attended the seminar. Mr Sarma specifically mentioned the role of the late K. P. S. Menon in developing bilateral understanding and friendship, and said this had become a bulwark for India's security.

He invited the Soviet Union to participate in the 85th birth anniversary celebrations of K. P. S. Menon in October in India.

Central Education Minister Shiela Kani, who is leading an FSU delegation, is arriving later today to attend the friendship month celebration here.

CSO: 4600/1512

INDIA REITERATES SUPPORT FOR ANTI-APARTHEID FORCES IN SOUTH AFRICA

Calcutta THE STATESMAN in English 14 Jul 83 p 5

[Text]

VIENNA, July 13.—At the opening session of the U.N. international conference on the alliance between South Africa and Israel here on Monday, India reiterated its support to the people in South Africa fighting the apartheid regime in Pretoria, reports PTI.

Speaking as a special invitee, the Indian Ambassador, Mr S. K. Singh, hoped that the conference would focus attention on the problems being created by the friendship and alliance between the two countries.

He said both the countries had "powerful friends". With the help of these friends, South Africa was engaged in building up an "alliance of isolated and unpopular regimes defiant of world public opinion as the second line of defence for apartheid".

After quoting the relevant portions of the final document of the non-aligned summit to assure the determination of the non-aligned countries to intensify joint efforts in support of the people of southern Africa, Mr Singh traced the roots of India's policy towards Africa to Mahatma Gandhi's struggle in that country.

Giving the background of South African and Israeli cooperation, he quoted the Ambassador, Mr Kenneth L. Adelman, who had written that South Africa and Israel were engaged in organising

a "club of pariahs". Their cooperation grew in a big way since 1976.

However, Mr Singh said, he did not agree with Adelman's conclusion that the Israeli-South African link was nothing but "piddling". They were both cooperating in building up a nuclear arsenal showing their determination to dominate their neighbours. He hoped the conference would help in the process of collecting information on these and their "powerful backers".

The three-day conference, organized by the U.N. special committee against apartheid in collaboration with the Afro-Asian Solidarity Organization, the World Peace Council and the Organization of African Trade Unions is being attended by about 200 Government representatives, representatives of the PLO and SWAPO, specialists and the representatives of India as the current chairman of the non-aligned movement and Ethiopia as the current chairman of the Organization of African Unity.

The conference has been boycotted the West. The Socialist countries are participating in it at low levels. Individuals from certain Western countries are attending the conference in their personal capacity.

CSO: 4600/1457

ECONOMIC ADVISORY COUNCIL ISSUES FIRST REPORT

Bombay THE TIMES OF INDIA in English 18 Aug 83 p 5

[Article by D. G. Gupte]

[Text]

BOMBAY, August 17.

THE question of creation of economic capacities in select industries for reducing their cost of production and improving their competitiveness not only for increasing exports but also expanding the domestic market, is engaging the government's attention.

The economic advisory council, under the chairmanship of Mr. Sukhamoy Chakravarty, has recommended that reduction in costs of production in Indian industry, which is vital for increasing the competitiveness of Indian exports, requires not only improvements in efficiency in a number of related overheads such as transport and power, but increased competitiveness between enterprises within the country itself.

The council in its first report has pointed out that such competitiveness has been lacking in India, perhaps due to the protected markets provided to the industrial sector so far. It points out that much more has to be done to create a greater awareness and sense of urgency to bring down costs of production in industry in competition with each other and progressively bring down the relative prices of their products.

The council has pointed out that while the balance of payments in 1983-84 looks manageable, some difficulties can be expected from the mid-1980s onwards on account of rising debt service obligations. To tide over these difficulties, export promotion will need greater attention than hitherto, besides reduction in dependence on imported sources of energy, improving capacity utilisation in steel, cement and fertilisers, and a substantial increase in domestic output of food grains and oilseeds.

NEED TO STREAMLINE

It points out that there is a limit to stimulating exports through fiscal devices such as subsidies, or monetary policies such as offering low interest on export credit. Cost reduction in key sectors, better quality control, infrastructural support and an aggressive marketing strategy are, therefore, needed.

It has been observed that the apparatus of administrative controls over industry now existing was largely built up towards the middle of the 1950s, at a time when other forms of indirect strategic controls were not available.

It is being admitted even in government circles that there is a need to liberalise policies and streamline procedures in industrial licensing and imports. Some steps in this direction have already been taken in the recent past.

In view of the urgency of the problem, a high-power group of secretaries in the Union government has been set up recently to examine the possibilities of reducing the costs of production and improving the competitiveness of the industrial sector. The secretary of the department of industrial development is the convener of the group, which includes secretaries of the department of commerce, department of expenditure, department of heavy industry, as also the chairman of the Bureau of Industrial Costs and Prices and the secretary to the Planning Commission.

It is generally accepted that there is need to have a long-term policy for developing export potential by selecting a range of industries for export production and to create appropriate operative conditions for promoting exports. In the long run, a wide gap in the quality of goods manufactured for the domestic market and those for export would not

be desirable. Thus, technology import could be allowed selectively for upgrading the quality of domestic goods.

1% OF GLOBAL OUTPUT

For achieving this objective, the policy towards the MRTP/FERA companies is being amended, by allowing them to enter into areas not normally open to them provided these are meant for exports. Some take a view that if these companies, which are allowed to enter areas not open to them, fail to perform, their licences could be cancelled.

In this context, it is pointed out that there is urgent need for looking into the present uneconomic capacities in certain sectors of industry. Synthetic fibres, yarns and raw materials for manufacturing these products are cited in this respect.

In 1980, the world textile trade was placed at Rs. 100,000 crores. India with one of the biggest and oldest textile industries, contributed only Rs. 800 crores, which was less than one per cent of the total world trade. What is more, the contribution of man-made fabrics, which was 47 per cent in 1980, is expected to rise to 75 per cent by the turn of the century, when the total world trade in textiles is slated to rise to Rs. 200,000 crores.

Countries like Hong Kong and Korea have contributed 5.2 per cent and four per cent, respectively, to the world textile trade in 1980. This was possible for these countries since they entered the synthetics fibre industry in a big way around 1975. Korea, Thailand, Taiwan and Indonesia have one or more plants of a capacity of 50,000 tonnes of polyester staple fibre, since they have realised the importance of setting up economic capacities for

international trade. Even China, which has only recently entered the synthetic fibre field, has planned two units of polyester staple fibre with a capacity of 180,000 and 220,000 tonnes per annum.

India has been priced out from the international market, mainly owing to its policy of creating uneconomic capacities from the stage of raw materials. Such a policy has resulted in making man-made fabrics and their products costlier by 50 to 100 per cent than those available in international markets.

For example, in the past, for polyester staple fibre, the licensed capacity was 5,000-6,100 tonnes per annum (TPA). This has been recently raised to 15,000 TPA per unit. As against this, the capacities in other countries are 100,000 TPA and above per unit. For polyester filament yarn, the licensed capacity in the past was 1,000-3,000 TPA. In the recent past, some units have been granted capacities of 6,000-15,000 TPA, while the capacities in other countries are of the order of 50,000 TPA and above.

The higher per unit capital cost and the foreign exchange outgo can be seen from the following figures. For example, the capital cost of five units of 15,000 TPA of polyester staple fibre being set up in five states in the joint sector is placed at Rs. 320-350 crores, with a foreign exchange cost of around Rs. 100 crores. As against this, the capital cost of a single 75,000 TPA unit of polyester staple fibre is placed at Rs. 225-250 crores, with a foreign exchange component of Rs. 65 crores. Thus, the cost of production for a 15,000 TPA project will be about Rs. 3,000 per tonne more on account of fixed cost in comparison with a single unit of 75,000 TPA.

Regional balancing and more employment are used as a lever for creation of uneconomic capacities in the country. However, the direct employment in such plants is limited. While the direct employment in five 15,000 TPA polyester staple fibre plants is placed at 2,000 persons, that for one plant of 75,000 TPA is placed at 600 persons. The question that is being asked in this connection is whether it is right to create additional employment for 1,400 persons in the five smaller units at a cost of Rs. 100 crores.

Observers feel that unless we create economic size plants and create efficient units, we may not have any share in the expanding world trade in synthetic and blended fabrics. As is known, textile production is being shifted from Europe and the U.S. to south-east Asian countries. Unfortunately, the government of India

and the Indian textile industry have yet to evolve a definite plan to participate in this expanding world textile market.

India is fortunately placed with regard to crude oil, which is the base for many petro-chemicals. India can produce DMTTPA, the basic raw materials for producing polyester staple fibre and polyester filament yarn, as also other chemicals used in the manufacture of other man-made fibres and yarns. These chemicals can be converted into fibres or yarns, and fabrics made out of these could be made available at competitive prices in the world market in a big way.

INDIA-BANGLADESH BORDER TO HAVE MORE OUTPOSTS

Calcutta THE STATESMAN in English 10 Aug 83 p 1

[Text]

THE Border Security Force will soon set up 18 additional border outposts and 90 watch-towers along the India-Bangladesh border in West Bengal to check infiltrators and smugglers, Mr W. G. J. Mudaliar, Inspector-General of the BSF, West Bengal, told reporters in Calcutta on Tuesday. In addition, the existing outposts will be strengthened.

Mr Mudaliar, however, said the BSF was not the only agency to be blamed for infiltration of foreigners into West Bengal. The BSF was not the agency which checked the papers of those trying to enter India at the border checkpoints. According to him, most of those trying to cross the border at unauthorized places are pushed back by the BSF.

The Inspector-General said that two additional battalions, which would be deployed in West Bengal shortly, would be used to man the additional outposts. These battalions were now being raised. One of them would be stationed in south Bengal with headquarters at Kalyani and the other in north Bengal with headquarters at Jalpaiguri.

He said the watch-towers on the India-Bangladesh border would be a new introduction. If the State Government could provide the assured supply of power, the towers would be provided with search lights. The additional outposts would be set up in between the towers.

Mr Mudaliar feared that as the vigilance along the Assam-Bangladesh border had been stepped up, there might be a pressure on the West Bengal border, but added that the problem of influx also depended on ethnic and linguistic factors. If the experiment being carried out in Assam of a wall along the border proved successful, it might also be tried in West Bengal.

The Inspector-General said that leaves of BSF men were being cancelled for intensive patrolling of the border. Officers were also tak-

ing part in the patrolling. He, however, stressed the need for a border track and hoped that the State Government would allow the BSF to construct such a track.

Though he refused to hazard a guess of the number of infiltrators, Mr Mudaliar said that about 40,000 people had entered India some time ago. He, however, refused to elaborate on it. According to him, the number of infiltrators detected and pushed back into Bangladesh was 6,014 in 1981, 13,640 in 1982 and 9,152 till June this year. Many of them were detected in interior areas of India and later handed over to the BSF. Among them, the number of Pakistani refugees stranded in Bangladesh was 44 in 1981, 352 in 1982 and 115 till June this year.

Mr Mudaliar said the major items smuggled from Bangladesh into India included old garments, medicinal powder and electronic equipment. The medicinal powder, it was suspected, was used for manufacturing spurious drugs in India. The items smuggled from India into Bangladesh included cloth, cycle, motor parts, sugar and kerosene.

Meanwhile, Mr Ramen Bhattacharya, Director-General of Police, West Bengal, told reporters in Calcutta on Tuesday that the police had arrested about 250 illegal immigrants from Bangladesh at Howrah and other nearby railway stations during the past fortnight. They had been pushed back into Bangladesh.

A majority of the infiltrators were Bengali Muslims. They were on their way to Delhi or to some other north Indian States.

According to Mr Bhattacharya, the State Government's mobile task force has been strengthened with the induction of additional men to ensure stricter vigilance in the border areas. The touts, who lured the Bangladesh Muslims into India were being interrogated. Many of these touts had also been arrested. He said that Bangladesh nationals entered India mostly through Bongaon, Nadia and Islampur borders.

The Calcutta Police authorities had been asked to conduct raids and identify illegal immigrants and arrange for pushing them back into Bangladesh.

MALOPARA INCIDENT

Mr Bhattacharya said that so far 45 people had been arrested in connexion with the incident at Malopara in Malda district. The Deputy Inspector-General of Police, CID, had gone to Malopara to complete the investigation early. No charge-sheet has been issued against the Officer-in-Charge of the Ratua police station, he added.

Mr Bhattacharya said that Biswanath Karmakar, an instructor of the Suri Industrial Training Institute in Birbhum, was stabbed by Mukta Dhall and a few others while he was proceeding to the Sankrail railway station from his house at Birapur in the Sankrail area, Howrah, on Tuesday morning. Karmakar was brought to the city and admitted to Medical College Hospital where he later died. Dhall and four others have been arrested.

UNI adds: More than 270 Chakma refugees from the Chittagong Hill Tracts of Bangladesh infiltrated into India on August 6 and took shelter at Tirthamukh relief camps opened for the flood affected people.

Informing this, the Tripura Chief Minister, Mr Nripen Chakraborty, told reporters in Agartala on Monday that some of the infiltrators had been pushed back into Bangladesh with the help of the police.

UN DELEGATE TELLS INDIAN STAND ON CHAD

New Delhi PATRIOT in English 18 Aug 83 p 3

[Text] UNITED NATIONS, Aug 17 (PTI)—India has warned in the Security Council that any action tending to internationalise the situation in Chad would only serve to intensify and globalise the ongoing armed conflict and to make the situation even more serious and difficult of eventual solution.

"The future of Chad is the sole responsibility of the people of Chad and it is for them to resolve their problems, free from outside intervention or interference of any kind from any quarter", India's permanent representative at the U.N. N. Krishnan, told the Council on Tuesday.

Mr Krishnan, who was speaking in the Council debate on Libya's complaint against the United States concerning what it calls "acts of intimidation and provocation", made no direct reference to the United States but stressed that India and other members of the non-aligned movement had always taken a firm stand against all forms of foreign aggression, occupation, domination, interference or pressures.

The Indian ambassador recalled that the last non-aligned summit had noted with concern that policies of intervention and interference pressure and the threat or use of force continued to be pursued against many non-aligned countries with dangerous consequences for peace and security. He hoped that all states would adhere to those declarations and observe these principles in their dealings with other states.

Mr Krishnan also refrained from any direct comments on Libya's role in the Chad conflict, but expressed concern at the Chad situation threatening the unity and solidarity among non-aligned countries.

Mr Krishnan said such unity was all the more necessary in dealing with the present situation. He pointed out that the New Delhi summit of non-aligned countries had stressed the principle of peaceful settlement of disputes remained central to the philosophy of peaceful coexistence advocated by non-aligned world.

The ambassador said India was confident that the people of Chad and the organisation of African Unity had the will, the capability and the means to find a solution to this essentially African question. India supported all efforts to promote a solution within the framework of the OAU and in the light of the decisions of the recent OAU summit in Addis Ababa. "We trust that peace and harmony will soon return to this unhappy land so that the people of Chad can turn their attention to the constructive task of building their nation and of its much needed economic development", Mr. Krishnan said.

Mr Krishnan expressed the hope that the Security Council would be able to take meaningful action to deal with the present situation and in accordance with the purposes and principles of the UN charter so that the threat of a wider conflict was averted.

Mr Krishnan expressed India's anguish at the sufferings of the people of Chad. That country, he said, had lived through strife and violence for almost the entire period of its independent existence—a strife which had drawn it into the vortex of extraneous influences and outside pressures. Not only had this strife brought misery to the Chadians, but it had

also served to exacerbate tensions in the entire North African region. "We are against any action which tends to internationalise the situation in that country".

Earlier in the morning the Security Council continued its debate on the complaint of Chad against Libya. As the Council adjourned last night, there were no indications if and when any resolution would be tabled on the Chad conflict.

SETHI 'VIRTUALLY' CONFIRMS TERRORIST GROUPS IN DELHI

Calcutta THE STATESMAN in English 12 Aug 83 p 6

[Text] By stating in the Lok Sabha on Tuesday that the Government was "aware of the danger" of violence and would see that Delhi did not become a centre of extremist activity, Mr P. C. Sethi virtually confirmed an earlier newspaper report that two important groups of Punjab terrorists had recently shifted to the capital in an attempt to create panic, thereby hoping to attract worldwide attention. As was evident from the tenor of the discussion in the House, while the Government will naturally enjoy full public sympathy and support in any lawful action it takes against the culprits, the latest development poses a much greater threat to the Akalis. They can no longer afford to sit on the fence or offer indirect support to the extremists. The jubilation witnessed in the Golden Temple on Monday when 15 associates of Sant Bhindranwale were honoured with "saropas" at the Akal Takht on being acquitted of various criminal charges, was an indication of the continuing drift to extremism in Akali politics. The party president, Sant Harchand Singh Longowal, threw the full weight of his authority behind the celebrations by making a provocative speech against the Union and State Governments. Apparently, this was his considered response to countrywide appeals to condemn violence, denounce the

"Khalistan" move and its supporters, and help the authorities in bringing to justice known criminals who are said to be hiding in the sprawling Golden Temple complex in the heart of Amritsar.

But it is only right to judge Sant Longowal and his colleagues by their actions rather than by their intemperate utterances, which explain the interest generated by the Sant's promise of an announcement on August 15 to outline his party's programme of intensified agitation. If sending terrorists to Delhi is a feature of the new programme, the Akalis seem recklessly to be throwing away the chance of an amicable settlement of their demands. They have to choose between peaceful and violent methods, bearing in mind that even their past movements were not exactly tranquil though last month's unconditional suspension of the year-old morcha suggested the possibility of change. However, the latest developments in the Akali camp have not furthered the prospect. The Akalis still have time to accept that the path of militancy will not win them many followers in Punjab or outside: hot-heads like Sant Bhindranwale and his followers might continue to make news, but the Dal as a party is bound to lose its hold over Sikhs who are already showing signs of impatience with the counter-productive politics of violence.

Nor has the Government covered itself with glory by maintaining total silence over the basic issues agitating Akali minds. It is no secret that the moderates among the Akalis have been looking for a straw in the wind that might help them to repudiate the militant fundamentalism of the Santis. For reasons that are not apparent, the Centre has persistently refused to give them the necessary encouragement. This is the kernel of the Opposition's charge against the Government whose actions over the past year have helped extremists to wrest the initiative from the moderates. The Opposition is also deeply disturbed by the official stance because it feels that Mrs Gandhi falsely accuses it of abetting trouble in Punjab. Not long ago several senior Opposition leaders engaged in protracted tripartite talks with the Centre and the Akalis in order to work out a settlement. They are convinced that agreement was within sight, but that the Prime Minister did not seem to want it. Perhaps it is still not too late for Mr Sethi to undo that damage and again enlist the Opposition's help in persuading the Akali Dal to end the political uncertainty that grips Punjab.

BASU MEETS WITH NEWSMEN ON RETURN FROM MOSCOW

Calcutta THE STATESMAN in English 12 Aug 83 pp 1, 7

[Text] Notwithstanding the existing party-to-party relations between the Soviet Communist Party and the Communist Party of India, the CPSU wanted to maintain a "contact" with the PCI(M), Mr Jyoti Basu told reporters at Writers' Buildings on Thursday afternoon. Mr Basu arrived in Calcutta from Delhi in the morning ending his month-long-tour of some of European countries, including the Soviet Union, England and Hungary. He looked fresh.

Giving a resume of his talks with the Soviet Communist Party leaders in Moscow, Mr Basu said the two parties--the PCI(M) and the PCSU--had been in touch with each other during the past two or three years. This contact had been maintained. His discussion with the CPSU leaders also covered aspects of India's foreign policy. A general discussion on the threat of another global war and the measures to maintain peace also figures in the discussions.

Mr Basu was asked a reporter if India's domestic policy came up for discussion. He said: "They know all about it".

Mr Basu met in Moscow Soviet experts to on foreign trade. He sought to assess the prospects of larger exports of tea, jute and leather from India to the Soviet Union. He was informed that the Soviet Government was having for some time an unfavourable balance of trade with India. The trade gap, had, however, narrowed to some extent recently.

Before his departure for Moscow, he had a discussion with the Union Finance Minister, Mr Pranab Mukherjee, who informed him that India would buy petroleum and petroleum products worth about Rs 300 crores from the Soviet Union. If the deal materialized, the Soviet Union might import more Indian goods, he felt. However, the Soviet Government would take up the matter with the Centre.

During his stay in the Soviet Union, Mr Basu did not get to read Indian newspapers regularly. He went through a few of them, obtaining copies from the Indian embassy.

The Chief Minister will go to Delhi on August 17 to attend a function of the Himalayan Mountaineering Institute to be held on August 18. He will meet the Prime Minister the same day.

Several Ministers met Mr Basu at Writers' Buildings during the day. The Chief Minister was stated to have inquired about the working of their respective departments.

Mr Basu sanctioned Rs 1 lakh from his Relief Fund for relief of the flood-hit people of Tripura. The State Government also decided to despatch 3,000 polythene sheets to the State.

On his arrival at Calcutta airport Mr Basu told reporters that his tour of the Soviet Union and the U. K. was "very good".

"I am in good health", he told reporters. During his stay in Delhi, he had attended a meeting of the PCI(M) Politburo but could not meet Mrs Gandhi, he added.

He was received at the airport by a number of his Cabinet colleagues, including Mr Radhika Banerjee, West Bengal's Food Minister, Mr Ambarish Mukherjee, Minister of State for Health, Mr Jatin Chakravorty, PWD Minister, his party leaders and officials of the USSR Consulate in Calcutta and of the State Government.

CSO: 4600/1519

INDO-SOVIET SOCIETY CELEBRATES TREATY ANNIVERSARY

New Delhi PATRIOT in English 13 Aug 83 p 3

[Article by Vinod Taksal]

[Text] MOSCOW, Aug 12—Prime Minister Indira Gandhi has lauded the friendly relations between India and the Soviet Union and has observed that these have benefited not only these two countries, but also the cause of world peace.

In a message to the Soviet-Indian Friendship Society on the occasion of its celebration of friendship month in both countries, the Prime Minister has said that over the years bilateral friendly relations have become a symbol of cooperation between States of different social systems and with different levels of development.

Mrs Gandhi's warm message set the tone for the premier celebration meeting here last evening, at which Indo-Soviet partnership devoted to strengthening peace and harmony was paid handsome tributes.

The meeting also drew sentimental expression of warmth and respect for India and Mrs Gandhi herself from Soviet Minister for Heavy Industry Construction Nikolai Goldin, who stressed Mrs Gandhi's 'invaluable contribution to international peace, national independence and liberation, and Indo-Soviet friendship.

The Soviet leadership and the people strive to strengthen and expand relations with India, which was waging a continuous

struggle for peace Mr Goldin said and asserted that preservation of peace was the prime Soviet goal. 'We want improvement of international relations,' he said.

He categorically blamed the USA and Western imperialist powers for 'the very difficult period in human history', and said imperialist forces were aspiring for world domination through military superiority and rude interference in other States' affairs.

The Minister, who is also the President of Soviet-Indian Friendship Society, briefly reviewed economic cooperation between India and the Soviet Union and said it was effective because it was planned and had now become the firm basis for deep and stable relations.

Minister of State for Education Shiela Karil, leading a three-man FSU delegation to the celebrations, said India looked forward to friendship with the Soviet Union. The bilateral ties were a tribute to maturity of both countries and were an outstanding example of peaceful coexistence and constructive cooperation.

India, she said, favoured international cooperation and not confrontation. It shared with the Soviet Union concern at deterioration of international situation and rise of new world tensions and crises. It was a matter of satisfaction that the two

states had found a common ground and similarity of approach to crucial issues.

Observing that friendship and cooperation was important in a world atmosphere of mistrust, Mrs Kaul said India had drawn strength from Soviet goodwill and friendship. Bilateral cooperation had steadily developed and benefited both sides.

SEMINAR ON STATE-CENTER RELATIONS HELD IN BANGALORE

Summary of Consensus

Madras THE HINDU in English 8 Aug 83 p 11

[Text]

BANGALORE, Aug. 7.

The three-day seminar on Centre-State relations which concluded here today, justifying the need for restructuring the relations, has taken the view that the identity of the States was an integral part of the political and cultural identity of modern Indians and was in no way subversive of their national identity.

According to the seminar in which eminent jurists and experts who have a keen insight into the Centre-State relations, participated, a strong and healthy national identity cannot exist without the citizen also experiencing a State identity. It is, essential, therefore, that the relations between the Centre and the States were conducted in a spirit of mutual self-interest.

Group discussions: A summary of the seminar consensus was released here on Sunday by Mr. G. V. K. Rao, former Member of the Planning Commission, and Dr. Krishnaswamy, retired Deputy Governor of the Reserve Bank.

The seminar had split into three groups, dealing with, political and legal issues, headed by Mr. C. Subramaniam, economic and financial relations, chaired by Dr. Malcolm Adiseshiah, and planning and administrative issues, presided over by Mr. T. C. A. Srinivasavaradan, former Union Home Secretary.

The seminar, organised by the Karnataka Government, had the benefit of the presence of Mr. B. Sivaraman and Mr. Ramasubramaniam, as observers of the Sarkaria Commission.

In the press briefing, Mr. G. V. K. Rao made it clear there was no idea of any confrontation in the objective and deliberations of the seminar and the participants felt that things could be changed by democratic methods.

Changing needs: The need to re-examine the relations had arisen out of the growing awareness that many of the laws, administrative practices and conventions were out of step with the political, economic and social changes that had taken place over the years.

It was felt necessary to change them in the interest of ensuring the long-term health of the Indian democracy and fostering national unity and integrity.

Inter-State Council: The seminar, among other things, urged the setting up of an Inter-State Council to deal with the problems relating to Centre-State relations. It said the National Development Council, in keeping with its original terms of reference, should be re-structured so that it could function effectively as the highest policy-making body.

It also called for the creation of a national economic council as a forum for consultation between the Union and the States in respect of all aspects of industrial development, commercial, fiscal, financial and monetary policies. It also sought an amendment to the Constitution to ensure the independence of the office of the Governor.

Erosion of democratic values: The seminar expressed concern at the serious erosion of the democratic functioning of the political institutions as reflected in the perversion of the electoral system and the pervasive corruption in it, the disappearance of a coherent and stable party system, and the failure to conform to the constitutional norms and its essential spirit.

A thorough re-evaluation of Centre-State relations is necessary, not only to correct some of the distortions that have crept in during the last 35 years, but also to ensure the smooth working of the federal system, it was felt. The phenomenon of one-party dominance in the first two decades of independence may soon come to an end. Any consideration of Centre-State relations has, therefore, to proceed on the assumption that, more often than not, different parties will be in office in different States and at the Centre.

Concentration of powers at Centre: The other consideration that has informed the deliberations is that for a variety of reasons in recent years, there has been a concentration of powers at the Centre and the relations need to be reviewed not only to help correct the imbalance, but also to carry forward the process of democratisation at the grassroots.

The seminar felt the powers of the Governors and the powers of the President in relation to the States, the functioning of the Election Commission and the autonomy of the electronic media, deserved special consideration.

Institution of Governors: It said that Governorship was an institution of crucial importance, on whose impartiality and integrity the autonomy of the States and the soundness of Centre-State relations depend. It is unfortunate that the Governor has, by and large, been made to function as an agent of the Union Government and this position is totally violative of the Constitution. In *Raghukul Tilak* case, the Supreme Court has said categorically that the Governor "is not amenable to the direction of the Government of India nor is he accountable to it for the manner in which he

carries constitutional office which is subject to the control of the Government of India."

But Governor's power to appoint the Chief Minister and dissolve the State Legislature has on several occasions been used to flout the expressed will of the people. It is, therefore, felt that the Constitution should be amended to ensure the independence of the office of the Governor.

A number of suggestions were made for defining more precisely the role of the Governor in the formation of a government and the dissolution of the Legislature. It was felt that in doing this, the corresponding relationship between the President and the Prime Minister had constantly to be borne in mind.

Forming governments: Among the suggestions made are: (1) that the Governor should be under obligation to summon the leader of the largest party or the leader of the parties which fought the election as a coalition to form a government. The determination of the largest party or coalition should be only in accordance with the results of the elections.

(2) The question whether a government retains or has lost the confidence of the Legislature should be tested on the floor of the House and not by any assessment by the Governor in his own discretion.

(3) If the government loses majority, the Governor should be under an obligation to invite the leader of the next largest party or coalition to form a government and such a leader should be required to seek a vote of confidence immediately before he proceeds to form a cabinet.

(4) There should be a provision that if, say, one-third of the members of the Legislature ask for a session, the Governor should have the power to summon the Legislature.

Assent to Bills: The seminar felt that the power enjoyed by the Governor under Articles 200 and 201 to reserve a Bill passed by the State Legislature for consideration of the President regardless of whether it deals with a subject in the State list or the Concurrent List

needs to be abridged to restrict such reservation to Bills on matters in the Concurrent List, or under Articles 31A and 31C and not in regard to Bills on matters in the State List. The President should be required to declare within three months of the receipt of the Bill whether he will accord his assent or not.

Powers of President: On the powers of the President in relation to the States, the seminar discussed Articles 256 and 257 which empower the Union to give directives to the States. The sanction for securing compliance with such directives from the Union is, in its opinion, drastic.

Report on Recommendations

Madras THE HINDU in English 9 Aug 83 p 11

[Text]

BANGALORE, Aug. 8.

The three-day seminar on Centre-State relations, which concluded here on Sunday, has urged the establishment of an inter-State council to deal with the problems relating to Union-State relations. (Eminent jurists and experts participated in the seminar, some recommendations of which were published yesterday).

The seminar wondered why 30 years after the enactment of the constitution, Article 263, which empowered the President to set up such a Council, had remained unused.

Independent Secretariat: It recommended that the Council should consist of the Prime Minister and all the Chief Ministers, and be used to appoint key personnel to various offices and institutions which play a crucial role in Centre-State relations such as Governors, the Election Commission, the Planning Commission and the Finance Commission.

The inter-State council should have an independent Secretariat.

Article 324 of the Constitution provides for an Election Commission consisting of a Chief Election Commissioner and other Election Commissioners. The Centre has so far not used its powers under this Article to appoint the Election Commissioners other than the Chief Election Commissioner.

The seminar felt that the expansion of the Election Commission and other matters vital to the conduct of free and fair elections, such as revision of electoral rolls, were important issues and needed to be examined in detail separately.

Financial issues: On the economic and financial relations most of the participants in the seminar felt that the planning perspectives and decision-making processes had become excessively centralised and that decentralisation would promote a more efficient use of scarce resources, activation of latent resources and more harmonious relations between the Centre and the States.

It noted that the country was already witnessing a shift in Government policy towards increasing liberalisation of the economy. This trend would help to reduce the areas of friction between the Centre and the States. However, some participants expressed the fear that this might vitiate the development process.

However all agreed that a decentralisation of decision-making and strengthening of autonomous institutions would significantly reduce the irritants that had surfaced in the relations as a result of centralised, discretionary and quantitative controls.

Share in total tax revenue: The seminar devoted considerable time to a discussion on whether the share of the States in the total tax revenues should be increased or not. There was a general agreement on the following points:

(A) The divisible pool of taxes should be enlarged at least by the inclusion of the Corporate Tax. However this does not necessarily imply that the share of the States in the total tax revenue pool can be further enlarged. This can be decided only after further detailed study.

Surcharges on Union taxes and duties should not be levied except during emergency and only for a specified, limited period.

(B) Additional excise duties should be abolished and the State's sales taxation should be levied only at the final point.

(C) Excise duties should be levied on an *ad valorem* basis wherever feasible, and to prevent the litigation that has arisen over *ad valorem* duties, the Excise Act should be amended and simplified without delay.

Planning Commission: The seminar felt that the Planning Commission should be an autonomous body, functioning under a re-structured National Development Council. It should concern itself essentially with the planning and financing of investment and divest itself of the responsibility for all forms of grants.

The present arrangements for plan formulation and implementation at the State-level were seriously inadequate. Organised efforts should, therefore, be made to strengthen the planning machinery at the State-level so that there is no mismatch between autonomy and capacity to formulate and implement development programmes.

Secondly, there should be a continuous exchange of planning experience and information between the Central and State planning bodies and among the States. The Sarkaria Commission should be requested to review the functioning of the Planning Commission in the formulation of State plans.

National Expenditure Council: Regarding the Finance Commission, the seminar agreed that it should deal with all assistance in the form of grants both non-plan and plan, from the Centre to the States and with the inter-State distribution of resources. The Finance Commission should not be confined to the gap-filling approach, as it was no-longer compatible with the growing scarcity of resources in the country. It recommended a national expenditure commission to undertake a review of the expenditure of both the Union and the States to ensure the effective use of resources and to provide the basis for the division of resources between them.

The seminar urged that the share of the divisible pool to the States (which has been referred to earlier) may be decided in the light of the recommendations of the national expenditure commission. This share should be allowed to remain stable for about ten years.

On the Union-State agencies it felt that the existing mechanism for raising external borrowings and small savings is satisfactory and

need not be changed. However, the distribution of these resources should be determined by the Planning Commission in consultation with the States.

Investment priorities: The Union-State distribution of the resources borrowed from banks and other financial bodies should be based on the investment priorities decided by the Planning Commission.

The present arrangement regarding commercial bank credit for working capital need not be disturbed.

There was a proposal that the State Governments should be allowed to raise market loans from the individuals for specified purposes and on terms to be agreed upon by the Reserve Bank of India. Such a proposal deserves further consideration.

A National Economic Council should be established to serve as a forum for consultation between the Centre and the States regarding all aspects of economic policies such as industrial development, commercial, fiscal, financial and monetary policies.

The possible scope for the Reserve Bank credit expansion and its distribution between the Government and other agencies should be the primary responsibility of the RBI.

The National Development Council in keeping with its original terms of reference, should be restructured to function effectively as the highest policy-making body.

Law and order: On administrative issues, the seminar felt that the growing practice of the Centre's involvement in public order situations in States tends to blur the responsibility of the latter for maintenance of law and order. The justification for Central practices sought in Article 355 is of dubious validity. The Article itself would appear to be partly redundant in so far as it reiterates the responsibility of the Union for Defence against external aggression and is otherwise capable of mischievous implications, throwing doubt on the ability of the States to prevent internal disturbance within their territories.

States should be encouraged to train, strengthen and motivate their police to discharge their responsibilities adequately. The Centre should simultaneously initiate steps to reduce its Central Reserve Police (CRP) and such other forces in a phased manner. Bearing in mind the fears expressed in the past on specific occasions the Centre should deploy and use such forces strictly according to law and only in consultation and with the concurrence of the States.

Public services: The seminar expressed concern over the general decline in the standards of efficiency and integrity of the public services of the Centre and the States. There was an alarming growth of politicisation of the services and misuse of the powers of transfer. It was strongly felt that the political leadership at the Centre and State-levels should recognise the gravity of the problem and take appropriate remedial measures. In this context, the seminar felt that administrative tribunals contemplated

under Article 323A would serve the purpose and recommended that the same be set up as early as possible.

It felt that the performance of Public Service Commissions, especially in the States, was not up to mark. Suitable measures needed to be adopted to tone up their functioning as this would ultimately be reflected in the quality and performance of the public services.

The seminar was of the view that all-India services had on the whole proved useful in the federal context, although one or two members had reservations on the ground that these services had outlived their utility. It saw no special advantage in constituting any new all-India service.

Delayed elections: Expressing concern that elections to local bodies had been delayed or indefinitely postponed in several States, the seminar recommended that a suitable provision be inserted in the Constitution to ensure elections to local bodies.

The question of fair access to the mass media, radio and television, was fast becoming a problem in the relations between the Centre and the States.

The Chanda and the Verghese Committees had recommended autonomy from Government control. Until such time as genuine autonomy materialised, it was necessary to allow time to the States in regional radio and television programmes.

A suggestion was made that the States desirous of establishing their own broadcasting facilities be enabled to do so. This was endorsed by the seminar because listeners and viewers would have the choice and this could lead to all-round improvement.

Following the same principle, the setting up of broadcasting facilities by educational institutions or private bodies would also serve a useful purpose.

CORRESPONDENT PREVIEWS MIDTERM PLAN APPRAISAL

Madras THE HINDU in English 6 Aug 83 p 7

[Text]

NEW DELHI, Aug 5

The Sixth Plan target of 153.6 million tonnes of foodgrain production will not be achieved in full, though the targets for oilseeds, sugarcane and cotton are likely to be reached. The growth rate in industrial production is, however, encouraging despite the setback in the wake of the prolonged textile strike in Bombay. The Plan target for oil production has been raised from 21 million tonnes a year to 27.52 million tonnes in 1984-85 in view of the success achieved in the accelerated oil production programme.

These are some of the broad conclusions reached by the Planning Commission in its mid-term appraisal of the Sixth Plan which will be presented to Parliament shortly.

The public sector outlays during the three years ending 1982-83 have been Rs. 14,832 crores in 1980-81, Rs. 18,211 crores in 1981-82 and Rs. 21,354 crores in 1982-83 while the estimated outlay for 1983-84 is Rs. 25,480 crores, making up a total of Rs. 79,877 crores for the four years of the Sixth Plan period. Assuming that the public sector outlay during the final year of the Plan (1984-85) shows the same percentage increase, the total public sector outlay for the five year period will be around Rs. 110,400 crores which will be about Rs. 12,000 crores more than the original proposed outlay.

It is anticipated that foodgrain production during 1982-83 would be around 126 to 128 million tonnes. Wheat output, it is stated, would cross 41 million tonnes during 1982-83 and this is said to be a record.

Against the targeted generation of 191 billion units of electricity during the Sixth Plan, the likely achievement by the end of the Plan period is placed at about 175 billion units. As for the installation of additional generation capacity, the achievement will not be more than 14,500 MW against the targeted 19,668 MW. Coal production during 1982-83 was 133 million tonnes and had hit the target. Despite satisfactory coal production and improvement in rail despatches, pithead stocks have gone up leaving the core sector industries like steel and power with unsatisfied demand.

The railway electrification programme during the Sixth Plan may be around 2,500 km against the targeted 2,800 km. Track renewals will fall short of the targeted 10,000 km of primary track renewals and may not exceed 7,800 km. For secondary track renewals, the achievement will be 2,690 km against the targeted 4,000 km.

As for the Plan outlays for the States, amounting to Rs. 48,600 crores, total resources the State Governments would raise were envisaged at Rs. 33,250 crores out of which the additional resource mobilisation would be Rs. 9,012 crores. The Central assistance for the State Plans would have amounted to Rs. 15,350

crores. However, the mid-term review has shown that the States' resources may not exceed Rs. 27,454 crores. As for additional resource mobilisation, the yield from measures already adopted by the State Governments till the end of 1982-83 is estimated at Rs. 11,530 crores which is higher by Rs. 2,518 crores. While most States have exceeded the target, a few are yet to achieve their Sixth Plan target.

Deterioration: The deterioration in the balance from current account for the States is mainly on account of additional D.A. and revision of pay scales of Government staff. In most States, including Uttar Pradesh, West Bengal, Assam, Madhya Pradesh and Nagaland, the deterioration in the contribution of the State Electricity Board is due partly to cost escalation and inefficient management. The decline in the contribution of road transport corporations is because of factors such as increase in the cost of fuel and spare parts, wage bill, low bus fares and leakage in revenues.

The State Governments have agreed as part of the annual Plan efforts for 1983-84 to raise additional resources through fresh measures to the extent of Rs. 830 crores. If the State Governments achieve this target and undertake fresh measures to the same extent in 1984-85, additional resources will be available for Rs. 2,500 crores. This will bring down the shortfall to about Rs. 3,300 crores. The Centre has also agreed to step up its assistance by Rs. 1,650 crores to Rs. 17,000 crores. The market

borrowings have been stepped up by 20 per cent in 1983-84 instead of 10 per cent as was envisaged earlier. The State Governments are likely to get transfer of resources in 1984-85 under the Eighth Finance Commission's award.

Strict financial discipline needed: Though the 1983-84 annual Plans of the States envisage a step-up of 16.6 per cent over the 1982-83 outlay of Rs. 9,540 crores, the mid-term review says the State Governments will have to observe strict financial discipline. This will include strict economy in non-Plan expenditure, particularly through avoidance of fresh commitments, achievement of greater buoyancy in tax and non-tax revenue, tightening of tax administration, plugging of loopholes, speedy recovery of government dues, intensification of the small savings campaign, larger accretion of the State Provident Funds through suitable adjustments in the rates of contribution, avoidance of non-Plan capital outlays and non-Plan loans.

At the time of the formulation of their 1984-85 annual Plans, the State Governments will be advised by the Planning Commission to mobilise additional resources on the lines indicated. Innovative measures need to be adopted by the States to mop up agricultural surpluses particularly with the affluent farmers not only through taxation but also through other instruments to attract rural savings for investment in State Plan projects.

CS0: 4600/1502

BRIEFS

QUERY TO INDIA--New Delhi, Aug. 5. There have only been some speculative press reports about a move by Bangladesh to group together some smaller nations in the Indian sub-continent into an anti-India bloc and these did not call for any comment, the External Affairs Minister, Mr P. V. Narasimha Rao, told Mr. Dhuleshwar Meena in a written reply in the Rajya Sabha today. Replying to a written question of Mr. N. P. C. Naidu, he said the Government had received reports that at a meeting of some group calling itself the Farakka and Border Raids Resistance Committee in Bangladesh a portrait of the Prime Minister, Mrs. Indira Gandhi was burnt. The demonstrators also took a decision to boycott Indian goods. Mr. Rao said the Secretary concerned in the External Affairs Ministry called the Bangladesh High Commissioner in New Delhi to express the Government's concern over anti-Indian campaign in Bangladesh including these activities. [Text] [Madras THE HINDU in English 6 Aug 83 p 6]

MISSION TO JAPAN, ROK--New Delhi, August 17: The Association of Indian Engineering Industry (AIEI) has decided to send a high-level industrial mission to Japan and South Korea in October. The mission will spend a week each in these countries, visiting factories, holding discussions at plant level and organising meetings for members. It will focus attention on the automotive, machine tools, electronics and other select product groups, seeking trade opportunities. India's engineering goods exports to South Korea have increased from Rs. 3.9 million in 1970-71 to Rs. 11.8 million in 1980-81. However, there was no definite trend in the exports which fluctuated widely over the decade. The share of engineering goods exports in India's total exports to South Korea peaked at 54 per cent in 1975-76. In 1980-81, the share dropped to 2.7 per cent. Indo-Japan bilateral trade has been in favour of India over the past decade, with the exception of 1974-75 when there was an adverse balance of Rs. 1,585-million. During 1979-80, India had achieved a positive trade balance of Rs. 547 million with Japan. During 1980-81, the trend had reversed and India now has an adverse balance of Rs. 317 million with Japan. [Text] [Bombay THE TIMES OF INDIA in English 18 Aug 83 p 7]

ENVOY TO SINGAPORE--Trivandrum, Aug. 7. Mr. Kidangoor N. Gopalakrishna Pillai, general secretary of the Nair Service Society and chairman of the National Democratic Party, a ruling front partner is to be appointed India's High Commissioner in Sangapore. Asked about reports in this regard, the Chief Minister, Mr. K. Karunakaran told newsmen here today that the Centre's orders on this would come in a week.--Our Staff Reporter. [Text] [Madras THE HINDU in English 8 Aug 83 p 9]

ANTARCTIC EXPEDITION PLANS-- Sringar, July 12--Indian scientists will stay round the year on the icy continent of Antarctica, to carry out detailed studies and establish whether India and Antarctica, and South America and Australia once formed part of the vast Gondwana land, reports UNI. This was revealed by the leader of the second expedition to Antarctica, Mr V. Raina, in an interview to All India Radio here. He said the scientists all over the world were eager to know which continent drifted first and which way. "So far it is very difficult to say because some people believe India moved north and others say Antarctica moved south," he said. Mr Raina, who is at present the Director of the Ice and Glaciology Division of the Geological Survey of India, said it was believed that India and Antarctica and South America and Australia were once part of the vast Gondwana land. [Text] [Calcutta THE STATESMAN in English 13 Jul 83 p 9]

NEW GOVERNORS APPOINTED--New Delhi, July 13. The appointment of the former Chief Minister of Himachal Pradesh, Mr Ram Lal, as the next Governor of Andhra Pradesh in succession to Mr K.C. Abraham was officially announced today in a communique from Rashtrapati Bhavan. The President had also approved, the communique said, the appointment of Mr B.N. Pandey, a Congress(I) member of the Rajya Sabha who resigned recently to make way for the election of the Commerce Minister, Mr V. P. Singh, to Parliament, as the next Governor of Orissa in place of Mr C.M. Poonacha on completion of his tenure. The present Lt. Governor of Pondicherry, Mr K.M. Chandy, has been appointed Governor of Gujarat in place of Mrs Sharda Mukherjee who has been continuing in office for over a year after completion of her full five-year term. The Governor of Tamil Nadu, Mr S. L. Khurana, will concurrently function as Administrator of Pondicherry, which is at present under President's rule. The Centre has decided to let the Governor of Haryana, Mr G.D. Tapase, and the Governor of Madhya Pradesh, Mr Bhagwat Dayal Sharma, continue for the present, although they completed their tenures last year. [Text] [Madras THE HINDU in English 14 Jul 83 p 1]

ROHINI-D2 SATELLITE SUCCESS--Bangalore, July 13. Rohini-D2 satellite, launched from the Sriharikota range in Andhra Pradesh on April 16, has completed all its mission objectives during its 12 weeks in orbit so far. Prof. U.R. Rao, director of satellite centre of the Indian Space Research Organisation, told UNI today that the satellite was doing "very well". Its smart sensor had sent excellent imageries which were used to identify important landmarks and to effect improvements in the attitude and orbit of the satellite. It completed 26 orbits a day. Another objective of the launch was to realise the fourth SLV-3 launch vehicle system with the modified motor and to evaluate the major sub-systems for their performance and application to more advanced launch vehicles. Prof. Rao said that with the achievement of the mission objectives "whatever we get now is a bonus". [Text] [Madras THE HINDU in English 14 Jul 83 p 1]

INDIAN-USSR CONSORTIUM--The Soviet Union and India have agreed to form a consortium to offer its bid to operate two steel mills in Nigeria, reports PTI. Informing this in the Lok Sabha on Wednesday, Minister of State for Steel and Mines N K P Salve said in a written reply that the consortium would include the Steel Authority of India Limited (SAIL). [Text] [New Delhi PATRIOT in English 19 Aug 83 p 3]

INDIAN-USSR FARM COOPERATION--Moscow, Aug 18--The USSR has decided to introduce techniques developed by Indian scientists for cultivating soya, sorgo, millet and kenaf throughout its State and collective farms. Bilateral arrangements for introduction of the Indian techniques are being worked out and their introduction is expected to boost farm yields, a spokesman of the Soviet Agriculture Ministry has said. On its part, Soviet Union will assist India in adopting high-yielding cotton growing techniques and methods now in practice in Uzbekistan, Tajikistan and Teurkemenia. Scientists from both countries are presently engaged in joint research in seed selection, plant growing, mineral fertiliser, live-stock breeding and developing strains of high-productive breeds, the spokesman said. The joint work is designed to benefit both sides, he added. [Text] [New Delhi PATRIOT in English 19 Aug 83 p 3]

SIKKIM PARTY HEAD--Gangtok, July 13 (UNI)--A new political party called the Sikkim United Front will be formed here tomorrow under the leadership of former Chief Minister Kazi Lhendup Dorji, who will be its president. Two former members of the Bhandari Ministry, Mr Sherab Palden and Mr Sanchaman Limboo, will be the general secretaries of the new party. Mr Dorji told UNI that he was forming the party to restore confidence of the people in the democratic way of life "which today stands shattered." Mr Dorji pointed out that over the past few years, under the Government lead by Mr Nar Bahadur Bhandari corruption and mal-administration had increased people's right were being "trampled upon." The new party has pledged itself to do away with the present politics of favouritism and victimisation, he said. [Text] [New Delhi PATRIOT in English 14 Jul 83 p 7]

CSO: 4600/1459

GOVERNMENT TO LAUNCH POLICE PUBLIC RELATIONS CAMPAIGN

Colombo SUN in English 17 Aug 83 p 1

[Article by Aruna Kulatunga]

[Text] A new experiment in Police-public relations, the precursor to a government scheme for countrywide implementation--will get underway today.

The initial phase of the exercise involves the deployment of Home Guards. Wearing an arm band, wielding a baton and having access to the station information book they will accompany regular Policemen on patrol in specified sectors of a Police area. A Police area has been demarcated into five sectors.

The selection of Home Guards on the basis of 25 per city Police station is now complete an official of the Ministry of Internal Security said yesterday.

They have been picked by officers in charge of the respective Police stations and comprise among others senior, respected citizens in the area the official said.

The second phase of the government programme will be the formation of Vigilance Committees in all five sectors of a Police station. When this phase is completed, the government expects the Police, the Home Guards and the Vigilance Committees to become integrated units which will liaise closely with the citizens in the sectors concerned.

The new government scheme, informed sources said yesterday is modelled on the lines of a system that is now in practice in Malaysia.

The ultimate objective of the scheme, an official source explained yesterday, was to have the Policemen deployed in a particular sector to take up residence within it.

Details of the system that will go into operation today were finalised at a conference held at the Defence Ministry yesterday. Taking part were T. B. Werapitiya, Deputy Minister of Defence, Anura Bastian, Minister of Internal Security, Erigadier Lawrie Fernando, Secretary, Ministry of Internal Security and R. Sunderalingam, DIG.

CSO: 4600/879

GOVERNMENT REITERATES STAND AGAINST SEPARATISM

Columbo SUN in English 19 Aug 83 pp 1, 3

[Text] The government which awaits the arrival here next week of Indian Premier Indira Gandhi's special envoy, has agreed there will be no change in its basic criteria for talks with Tamil political parties or groups--that they disavow separatism.

"The government's position on this is unequivocal. Any dialogue will have to meet this basic requirement", an authoritative source said yesterday.

The reiteration of the official position came amidst speculation that parties seeking a dialogue with the government may want this pre-condition dropped.

"There is no question about it" the source said.

According to the same source the government is expected to explain this position to Shri G. Parthasarathy, Indian Premier Indira Gandhi's special envoy, who is due here later next week.

The government is of the view that it could have a dialogue with only those who accept the basis that Sri Lanka is a unitary state.

Diplomatic consultations are now underway between New Delhi and Colombo to work out details connected with the visit here of Mr. Parthasarathy.

The special emissary is the son of late Gopalaswami Iyenger, a constitutional expert who was a close friend of the late Indian Prime Minister Shri Jawaharlal Nehru, and was born in 1912. He was Assistant Editor of the HINDU newspaper from 1936 to 1949 and later became the Chief Representative of the Press Trust of India from 1949 to 1951.

He was later chairman of several international commissions including one on Kampuchea, Vietnam and served as Indian Ambassador to Indonesia, the People's Republic of China and Pakistan. Thereafter, he became India's Permanent Representative at the United Nations.

Shri Parthasarathy was a Vice Chancellor of the Jawaharlal University and was also a member of the UNESCO Executive Board. He served in the Indian External Affairs Ministry for a short period before becoming an adviser on foreign affairs to Premier Gandhi.

Meanwhile a Reuter report subjected to censorship states:

Sri Lankan President Junius Jayewardene was quoted today as saying the island's minority Tamils must give up their demand for a separate state before fresh talks on their grievances can begin.

In an interview with the Indian Express newspaper, President Jayewardene said once the main party of the minority community, the Tamil United Liberation Front (TULF), had abandoned its objective of an independent state, it would become easy to set in motion the process of reconciliation.

Until then India should maintain a low profile as mediator, he told the paper's Colombo correspondent.

Mrs. Gandhi last night telephoned President Jayewardene and officials said she would be sending a special envoy to Colombo for further talks shortly.

But President Jayewardene was quoted by the "Express" as saying he thought India should maintain a low profile until TULF gave up its call for independence.

"Until then, India's offer of good offices can be kept in reserve. They don't have to go out and start batting," the 77-year-old President stated.

Once this happened he could call a round-table conference at which all parties would be represented, he added.

"It would not be difficult once the TULF abandoned their platform for Eelam," he stated.

Following last month's bloodshed, the Sri Lankan Parliament amended the constitution to outlaw those advocating separatism, a move effectively banning TULF with its present objectives.

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